



# FASHION IN HIGH DEFINITION

**Annual Report**

2016-17

# FASHION IN HIGH DEFINITION

Fashion is a reflection of social, cultural, economic and political changes. It creates, expresses and augments identity. At Future Lifestyle Fashions, we are combining design, brands and consumer insights with technology and operational excellence to create next generation brands and retail experiences that define excite and win consumers. We are fast, agile, ever evolving, just like our customers. We are an organisation that delivers fashion in high definition.



ORIGINAL BRITISH DENIM



**JERLOUS 21**

 **SCULLERS**

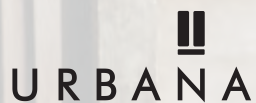
**INDIGO NATION**  
CHANGEISM

**JOHN MILLER**

MAKE IT LOOK EASY

 **CENTRAL**  
BRAND.NEW

 **BRAND FACTORY**  
BEST BRANDS • SMART PRICES



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Shailesh Haribhakti**  
Chairperson and Independent Director

**Sharda Agarwal**  
Independent Director

**Dr. Darlie Koshy**  
Independent Director

**Bijou Kurien**  
Independent Director

**Kishore Biyani**  
Managing Director

**Rakesh Biyani**  
Non-Executive Director

**C. P. Toshniwal**  
Non-Executive Director

**Avni Biyani**  
Non-Executive Director

## CHIEF FINANCIAL OFFICER

**Kaleeswaran Arunachalam**

## COMPANY SECRETARY

**Sanjay Kumar Mutha**

## STATUTORY AUDITOR

NGS & Co. LLP

## INTERNAL AUDITOR

Ernst & Young

## BANKERS

Allahabad Bank	Canara Bank
Axis Bank	IDBI Bank
Bank of Baroda	Union Bank of India
Bank of India	Vijaya Bank

## REGISTERED OFFICE

Future Lifestyle Fashions Limited  
CIN: L52100MH2012PLC231654  
Knowledge House, Shyam Nagar,  
Off Jogeshwari-Vikhroli Link Road,  
Jogeshwari (East), Mumbai - 400 060  
Tel: +91 22 6644 2200 Fax: +91 22 6644 2201  
[www.futurelifestyle.in](http://www.futurelifestyle.in)

## REGISTRAR AND TRANSFER AGENTS

Link Intime India Private Limited  
C-101, 247 Park, LBS Marg,  
Vikhroli (West), Mumbai - 400 083  
Tel: +91 22 4918 6270 Fax: +91 22 4918 6060  
[www.linkintime.co.in](http://www.linkintime.co.in)

# CONTENTS

## Strategic Report

Corporate Information	2
Letter from the Managing Director	10
FLF Brands	12
FLF Retail	36

## Statutory Reports

Management Discussion & Analysis	45
Directors' Report	51
Corporate Governance Report	80
Business Responsibility Report	95

## Financial Statements

<b>Standalone</b>	
4 Years Financial Summary	104
Independent Auditors' Report	105
Balance Sheet	110
Statement of Profit & Loss	111
Cash Flow Statement	112
Notes to the Financial Statements	113
<b>Consolidated</b>	
Independent Auditors' Report	133
Balance Sheet	136
Statement of Profit & Loss	137
Cash Flow Statement	138
Notes to the Consolidated Financial Statements	139

# BOARD OF DIRECTORS

---



**Shailesh Haribhakti**

Chairman

Is a Fellow Chartered Accountant and the Chairman of Haribhakti & Co. LLP. With over decades of hands-on professional involvement, he now serves on the board of large multinational and Indian companies and chairs multiple audit committees. He also lends his expertise to several professional and regulatory bodies. He is currently Chairman & Trustee of the National Pension Scheme Trust (NPS Trust) and Member of Pension Advisory Committee (PAC) of Pension Fund Regulatory & Development Authority (PFRDA).

**Dr. Darlie O Koshy**

Non-Executive Independent Director

Is a Doctorate in Management from IIT Delhi. He was founder faculty member at National Institute of Fashion Technology from 1987 to 2000 and was Director of National Institute of Design from 2000 to 2009. He had developed the "National Design Policy" which was approved by Govt. of India in 2007. He also served the Executive Board of World Body of Design (ICSID) for 3 terms. He currently serves as Director General and CEO of Apparel and Training & Design Centre, since 2009 which have a network of 200 institutes across country.



**Sharda Agarwal**

Non-Executive Independent Director

Is a noted marketing and brand expert with over two decades of experience in various industries and sectors. She was the co-founder of MarketGate Consulting and has served as Director of Marketing at Coca Cola India and was also associated with Johnson & Johnson in India and the United States. She is currently co-founder of Sepalika - a website that partners people to reverse chronic disease.



**Bijou Kurien**

Non-Executive Independent Director

Is a consumer industry veteran having been involved with the launch of iconic brands such as Titan, Fastrack and Tanishq. He started his career with Hindustan Unilever and was till recently associated as CEO of Reliance Lifestyle.



## **Kishore Biyani**

**Managing Director**

Is the founder and group CEO of Future Group and is widely recognised among the pioneer of modern retail in India. He has led the Future Group's emergence as among the leading consumer goods organisation in the fashion, food and personal care space.



## **Rakesh Biyani**

**Non-Executive Director**

Part of the founding team at Future Group and has led the fashion business of the group through his strong hands-on expertise in operations management, supply chain and technology.



## **C. P. Toshniwal**

**Non-Executive Director**

Has been associated with the Future Group for over 25 years leading strategic planning and finance functions across group entities. He is also the recipient of the Best CFO Award 2011 in the services sector by ICAI.




## **Avni Biyani**

**Non-Executive Director**

Brings on board the pulse of India's millennial generation and has been closely involved with the conceptualisation and launch of brands such as CoverStory. She is the founder and concept head of India's pre-eminent gourmet chain, Foodhall.



# FLF DNA



Future Lifestyle Fashions brings together expertise honed over two decades of creating some of India's most popular fashion brands and retail destinations. Everything FLF does begins with the customers, irrespective of age, styles and identities and the goal is to exceed their expectations. We live, think and breathe fashion.



**90+**  
CITIES

**580+**  
DOORS

**5.4 mn**  
SQ.FT. RETAIL SPACE

**2 seconds**  
ONE CUSTOMER WALKS-IN

**7**  
POWER BRANDS

**20+**  
OWN BRANDS

**13**  
INVESTEE BRANDS

# FASHION IN HIGH DEFINITION

**TECH.**



## STRATEGY

Replenishment forecast

Targeted marketing

Product life cycle management

Exception Management

Behavioural segmentation

Auto grading process

## OPERATIONS

Comprehend customer behaviours

Reduce operational costs

Procurement Life Cycle tracked digitally

Limited People dependency

High sorting capability without limitation

High transparency and gain insights into vendor performance

## DELIVERY

Enhancing the brand value

Improving Consumer Perception

Shaping the future of omni channel

Expansion of multi-channel retailing

Providing a seamless experience

Real time analytics to all decision makers



**CUSTOMER**