

FLFL LIFESTYLE BRANDS LIMITED

Regd. Office: Knowledge House, Shyam Nagar, Off JVLR, Jogeshwari (East), Mumbai – 400 060.

P + 91 22 66442200

CIN: U74999MH2017PLC292590

Date: 10 December, 2019

FORM NO. PAS 4

PART - A

PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

[See rule 14(3) of Companies (Prospectus and Allotment of Securities) Rules, 2014]

1. GENERAL INFORMATION:

(i)	Name, address, website and other contact details of the company indicating both registered office and corporate office	Name: FLFL Lifestyle Brands Limited Registered Office: "Knowledge House", Shyam Nagar, Off Jogeshwari-Vikhroli Link Road, Jogeshwari (East), Mumbai – 400 060. Phone: 022 66442200 Corporate Office: Same as Registered office. Email: cs@futurelifestyle.in CIN: U74999MH2017PLC292590
(ii)	Date of incorporation of the company	17/03/2017
(iii)	Business carried on by the company	To do in India and elsewhere in the world the trade or the business of manufacturers, makers, tailors, designers, exporters, importers, traders, dealers, merchants, shippers, indentors, distributors, wholesalers, retailers, shopkeepers, hirers, commission agents, muccadums, brokers, stockiest, mercantile agents, forwarding agents, warehousemen, in all types and kinds of products and services, dealing in all kinds of goods, materials and items including but not limited to clothes, fashion products, life style products, apparels, general merchandise, food & provisions, household goods, consumer durables, electronic items, arts and crafts, jewellery, home improvement products, footwear, luggage, books & stationery, health care and beauty products, toys and music, computers & accessories, telecom products, agri-input products, furniture & furnishings, automobile & accessories, fabrics (including but not limited to cotton, knitted, dyed, processed wool, jute, hemp, silk, nylon and allied materials and articles), textile of all kinds, non-wearable of all kinds (including but not limited to, industrial or domestic wearable and non wearable, carpets and rugs, straps, tapes, ribbon, elastic braids, labels) and any other products, goods and services not specifically listed above through one stop solution for sale, purchase, export, import, trade and through any means and formats, including but not limited to, hyper markets, super markets, mega stores, discount stores, factory outlets, warehouses, cash & carry, departmental stores, shoppers plaza, direct to home, phone order and mail

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		<p>order, catalogue, through internet and other forms and to deal in all kinds of goods, materials and items including such other products which can be distributed, marketed or sold in any other manner whether through retail outlets, departmental stores, chain shops, arcades, value stores or specialized shops, stores either owned and managed by the Company or taken on lease, rent or through franchisees as may be deemed feasible by the Company.</p>
	<p>and its subsidiaries with the details of branches or units, if any</p>	<p>The details of business of the Company's subsidiaries are as follows:</p> <ol style="list-style-type: none"> 1. Elisir Lifestyle Private Limited (ELPL) is engaged in the business of manufacturing, supply and distribution of footwear and accessories in India. Company holds 100.00% of paid-up capital of ELPL. 2. Rachika Trading Limited (RTL) is engaged in the business of apparels and fashion accessories. Company holds 96.00% of paid-up capital of RTL. 3. Indus-League Clothing Limited (ILCL) is dealing in the readymade apparels and accessories. Company holds 95.92% of paid-up capital of ILCL. 4. Future Style Lab Limited (FSLL) is engaged in the business of developing women focused fast fashion brand at affordable pricing. The brand will focus on catering to the rising demand for global fashion among young women's segment in India. The FSLL has its design studio based in London. Company holds 90.00% of paid-up capital of FSLL. 5. Mineral Fashions Limited (MFL) focuses on manufacturing & retailing of clothing & fashion accessories under the brand "Mineral". Company holds 66.10% of paid-up capital of MFL. 6. Indus Tree Crafts Private Limited (ITCPL) is in the business of design, manufacture and marketing of readymade apparels, accessories, home decor and handicraft items, and other related articles. ITCPL owns brand "MOTHER EARTH". Company holds 72.16 % of paid-up capital of ITCPL.
<p>(iv)</p>	<p>Brief particulars of the management of the company</p>	<p>The Company is managed under the supervision of Board of Directors with functional heads overseeing day to day operations.</p>

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(v)	Names, addresses, DIN and occupations of the directors;	<p>Saurabh Bhudolia Address: Lodha Casa Ultima Flat No. 2505, B-wing, Behind Jupiter Hospital, Majiwada, Thane (West), Mumbai 400607 DIN: 07748251 Occupation: Service</p> <p>Navin Bhutoria Address: 401, 4th Floor, D Wing, Kaatyayni Residency, Off Mahakale Caves Rd, Andheri East Mumbai 400093 DIN: 07654490 Occupation: Service</p> <p>Ketan Shah Address: Flat No. 12A, Maheshwar Darshan No.2, 2nd Floor, S V Road, Santacruz (W) Mumbai 400054 DIN: 07116011 Occupation: Professional</p> <p>Sharad Rustagi Address: Flat: 405, Floor 4, Wing: C3, Lok Mansarovar, Lok Everest J.S.D Road, Opp City of Joy Mumbai 400080 DIN: 07232913 Occupation: Professional</p>
(vi)	Management's perception of risk factors;	<p>Risks Relating to the Company's Business: The Company is in the business of designing clothes, fashion products, life style products, apparels, general merchandise and the Company's business may be affected due to changing needs and lifestyle of people in general. However, your management is confident of addressing such situation as the Company is continuously thriving to study the lifestyle of people and customize its product range according to market trend.</p> <p>Risks Relating to the OCDs Series II: Repayment is subject to the credit risk of the issuer. Potential Investors should be aware that receipt of the principal amount, (i.e. the redemption amount) and any other amounts that may be due in respect of the OCDs Series II is subject to the credit risk of the Issuer. Potential Investors assume the risk that the Issuer will not be able to satisfy their obligations under the OCDs Series II. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the OCDs Series II may not be made or may be substantially reduced or delayed.</p>

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		Risks Relating to the Equity Shares: Equity Shares have the general risk of capital and do not offer guaranteed return.
(vii)	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of –	Not Applicable
	i) statutory dues;	NIL
	ii) debentures and interest thereon;	NIL
	iii) deposits and interest thereon;	NIL
	iv) loan from any bank or financial institution and interest thereon.	NIL
(viii)	Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process;	Saurabh Bhudolia Director Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai – 400 060. Phone: 022 66442200 E-mail: cs@futurelifestyle.in
(ix)	Any default in Annual Filing of the Company under the Companies Act, 2013 or the rules made thereunder.	No.

2. PARTICULARS OF THE OFFER

(i)	Financial position of the Company for the last 3 financial years;	Please refer Annexure-A
(ii)	Date of passing of board resolution;	05 November, 2019
(iii)	Date of passing of resolution in the General Meeting, authorizing the offer of securities;	05 November, 2019
(iv)	Kinds of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be offered;	Optionally Convertible Debentures ("OCDs Series II")
(v)	Price at which the security is being offered including the premium, if any, along with justification of the price;	1,10,00,000 OCDs Series II of face value Rs. 10/- each
(vi)	Name and address of the valuer who performed valuation of the security offered; and basis on which the price has been arrived at along with report of the registered valuer;	The price of the resultant shares to be issued pursuant to conversion of such OCDs Series II shall be determined at the time conversion, in terms of the Companies Act, 2013 and Rules made thereunder.
(vii)	Relevant date with reference to which the price has been arrived at; [Relevant Date means a date atleast thirty days prior to the date on which the general meeting of the Company is scheduled to be held]	Please refer para (vi) above.
(viii)	The class or classes of persons to whom the allotment is proposed to be made;	The OCDs Series II are proposed to be issued to Future Lifestyle Fashions Limited.

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(ix)	Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [not required in case of non-convertible debentures];	Future Lifestyle Fashions Limited, Promoter Company has conveyed its intention to subscribe to the proposed issue of the Company.	
(x)	The proposed time within which the allotment shall be completed;	The allotment of OCDs Series II shall be made within a period of 12 months from the date of passing the proposed special resolution by Members.	
(xi)	The names of the proposed allottees and the percentage of post private placement capital that may be held by them [not required in case of issue of non-convertible debentures];	Identity of the Allottee	% of post preferential issue capital (Equity Share)
		Future Lifestyle Fashions Limited	49.02%
(xii)	The change in control, if any, in the company that would occur consequent to the private placement;	There would be no change in management of the Company.	
(xiii)	The number of persons to whom allotment on preferential basis/private placement/ right issue has already been made during the year, in terms of number of securities as well as price;	Not Applicable	
(xiv)	The justification of allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer;	Not Applicable	
(xv)	Amount which the Company intends to raise by way of securities;	Rs.11,00,00,000/- (Rupees Eleven Crore only)	
(xvi)	Terms of raising of securities: Duration, if applicable, Rate of dividend or rate of interest, mode of payment and repayment;	<p>The following are the terms and conditions (Terms and Conditions) of the OCDs which shall govern the OCDs:</p> <ol style="list-style-type: none"> 1. Tenure of OCDs would be a period commencing from the date of allotment upto 31 March 2024 or such revision or extension as may be mutually agreed by the Board and OCDs holders from the date of allotment (Tenure). The OCDs are, at the option of the Company or OCDs holders, convertible into equity shares of the Company during the period commencing form 30 days prior to the end of tenure. Each OCDs shall be converted into such number of equity shares of Rs. 10/- each at the higher of: (a) Fair Market Value determined as on the date of the conversion; or (b) Rs. 10/- per equity share (being the Face Value of the equity shares) and outstanding OCDs, if any, be redeemed at the end of Tenure, if the 	

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		holder does not exercise the conversion option. 2. The OCDs shall be zero coupon OCDs and no interest shall be payable on the OCDs.
(xvii)	Proposed time schedule for which the offer letter is valid;	Offer Date: 10 December, 2019 Closing Date: 25 December, 2019 The offer will be deemed to be closed in case of full subscription received before the closing date.
(xviii)	Purposes and objects of the offer;	To meet long term fund requirements, expansion plans, business activities and for general corporate purpose.
(xix)	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects;	Future Lifestyle Fashions Limited has conveyed its intention to subscribe 1,10,00,000 OCDs Series II of face value Rs. 10/- each
(xx)	Principle terms of assets charged as security, if applicable;	None
(xxi)	The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations;	None
(xxii)	The pre and post issue shareholding pattern of the company in the following format:	As provided herein below

Sr. No.	Category	Pre Issue		Post Issue	
		Number of Equity Shares held	% of holding	Number of Equity Shares held	% of holding
A	Promoters' Holding:				
	Indian:				
	Individual	6	0.00%	6	0.00%
	Body Corporate:				
	Future Lifestyle Fashions Limited	49,994	49.02%	49,994	49.02%
	Sub-Total	50,000	49.02%	50,000	49.02%
2	Foreign Promoters	0	0.00%	0	0.00%

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	Sub-Total (A)	50,000	49.02%	50,000	49.02%
B	Non- Promoters' holding:				
1	Institutional investors:				
	Dolphin Communication Private Limited	2,000	1.96%	2,000	1.96%
	ECAP Equities Limited	9,200	9.03%	9,200	9.03%
	Edelweiss Special Opportunities Fund	40,800	40.00%	40,800	40.00%
2	Non- Institution:	0	0.00%	0	0.00%
	Private Corporate Bodies	0	0.00%	0	0.00%
	Directors & Relatives	0	0.00%	0	0.00%
	Indian Public:	0	0.00%	0	0.00%
	Others (including NRIs)	0	0.00%	0	0.00%
	Sub-Total (B)	52,000	50.98%	52,000	50.98%
	Grand Total	1,02,000	100.00%	1,02,000	100.00%

Note:

Future Lifestyle Fashions Limited (FLFL) holds 65,00,000 Optionally Convertible Debentures of Rs. 10 each and 7,77,30,000 Unsecured Optionally Convertible Debentures ("OCDs Series II") of Rs. 10 each (existing OCDs) with an option to convert into equivalent number of Equity Shares of the Company. Further, the proposed OCDs Series II is also issued with an option to convert into Equity Shares at a valuation to be carried out at the time of conversion of such OCDs Series II. The Post-issue shareholding does not include the number of resultant shares, which is contingent upon the conversion of existing OCDs, OCDs Series II and proposed issue of OCDs Series II, by FLFL.

1. MODE OF PAYMENT FOR SUBSCRIPTION:

- RTGS

2. DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.

i.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons;	No
ii.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a	None

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	statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the issue of the private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed;	
iii.	Remuneration of directors (during the current year and last three financial years);	Nil
iv.	Related party transactions entered during the last three financial years immediately preceding the year of issue of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided;	Please refer Annexure - B
v.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of issue of private placement offer cum application letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark;	None
vi.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last three years immediately preceding the year of issue of private placement offer cum application letter in the case of company and all of its subsidiaries, and if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of private placement offer cum application letter and if so, section-wise details thereof for the company and all of its subsidiaries	There was no such inquiry, inspections or investigations initiated or conducted under the Companies Act.
vii.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company	None

5. FINANCIAL POSITION OF THE COMPANY

a.	The capital structure of the company in the following manner in a tabular form-	
i.	(i) a. the authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	The Authorized Share Capital of the Company is Rs. 15,00,000/- (Rupees Fifteen Lakh Only) divided into 1,50,000 (One Lakh Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each. Issued, subscribed and Paid up capital: Rs. 10,20,000 /- divided into 1,02,000 Equity Shares of Rs.10/- each.
	b. size of the present offer;	1,10,00,000 OCDs Series II of face value

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	Rs. 10/- each							
c. paid up capital								
(i) after the offer;	Rs. 10,20,000 /-							
(ii) after conversion of convertible instruments (if applicable)	The price of the resultant shares to be issued pursuant to conversion of such OCDs Series II shall be determined at the time conversion, in terms of the Companies Act, 2013 and Rules made thereunder.							
d. Share Premium account (before and after the offer)	Before offer: Rs. 9,95,00,000/- After offer: Rs. 9,95,00,000/-							
<p>k (ii) The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration. Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of private placement offer cum application letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case;</p>								
		Sl. No.	Date of allotment	Nature	No. of shares	Face value (Rs.)	Consideration (including premium) (Rs.)	Form of consideration
		1	Since Incorporation	Subscription to Memorandum of Association	50,000	10	5,00,000	Cash
		2	29 th March, 2017	Equity Shares without Differential Rights	2000	10	20,000	Cash
		3	30 th March, 2017	Equity Shares without Differential Rights	9200	10	1,84,00,000	Cash
		4	30 th March, 2017	Equity Shares without Differential Rights	40800	10	8,16,00,000	Cash
					1,02,000		1,005,20,000	
b.	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of private placement offer cum application letter;	2016-17: N.A. (Incorporation Date: March 17, 2017) 2017-18: Profit/Loss before/after Tax: (Rs.1,55,00,000/-) 2018-19: Profit/Loss before/after Tax: (Rs.1,36,18,858/-)						
c.	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid)	N.A.						
d.	A summary of the financial position of the company as in	Please refer Annexure-A						

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	the three audited balance sheets immediately preceding the date of issue of private placement offer cum application letter;	
e.	Audited Cash Flow Statement for the three years immediately preceding the date of issue of private placement offer cum application letter;	Please refer Annexure-A
f.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company	N.A.

PART – B

(To be filed by the Applicant)

1. Name:	Future Lifestyle Fashions Limited
2. Father's name:	Not Applicable
3. Complete Address including Flat/House Number, Street, Locality, Pin Code.	Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai – 400 060
4. Phone number, if any:	+91 22 6644 2200
5. email ID, if any:	cs@futurelifestyle.in
6. PAN Number:	AABCF9869N
7. Bank Account Details:	Bank Name: IDBI Bank Ltd. Account No. 0126655100001311 IFSC Code: IBKL000100

For FLFL Lifestyle Brands Limited

Saurabh Bhudolia
Director
DIN: 07748251

Date: 10 December 2019
Place: Mumbai

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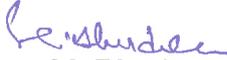
CIN: U74999MH2017PLC292590

6. A DECLARATION BY THE DIRECTORS THAT:

- a. The company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;
- b. The compliance with the Act and the rules made thereunder do not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government;
- c. The monies received under the offer shall be used only for the purposes and objects indicated in the private placement offer cum application letter;

I am authorized by the Board of Directors of the Company vide resolution number 01 dated 05 November 2019 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association. It is further declared and verified that and all the required attachments have been completely, correctly and legibly attached to this form.

For FLFL Lifestyle Brands Limited



Saurabh Bhudolia
Director
DIN: 07748251

Date: 10 December 2019

Place: Mumbai

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Annexure – A

1. Financial Year 2016-17: N.A. (Incorporation Date: 17 March 2017)

2. Financial Year 2017-18:

BALANCE SHEET

Balance Sheet As At March 31, 2018

(Rs. in Crore)

Particulars		Note No.	As at March 31, 2018
A	ASSETS		
	Current assets		
	(a) Investment	2	528.72
	(b) Financial Assets		
	(i) Cash and cash equivalents	3	0.24
	(c) Other current financial assets	4	0.42
	Total Current Assets		529.38
Total Assets			529.38
B	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	5	0.10
	(b) Other Equity	6	14.90
	Total equity		15.00
	Liabilities		
	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Long term borrowings	7	437.66
	(b) Provisions	8	0.01
	Total Non - Current Liabilities		437.67
	Current liabilities		
	(a) Financial Liabilities		
	(i) Short Term Borrowings	9	72.51
	(ii) Trade Payables	10	0.08
	(b) Other Financial Liabilities	11	3.88
	(c) Provisions	12	0.00
	(d) Other current liabilities	13	0.23
	Total Current Liabilities		76.71
Total Equity and Liabilities			529.38

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PROFIT & LOSS STATEMENT

Statement of Profit and Loss for the period March 17, 2017 to March 31, 2018

(Rs. in Crore)

Particulars	Note No.	Period March 17, 2017 to March 31, 2018
REVENUE		
Revenue		-
Other Income	14	27.99
Total Revenue		27.99
EXPENSES		
(a) Employee benefit expense	15	0.53
(b) Finance costs	16	28.65
(c) Other expenses	17	0.36
Total Expenses		29.54
Profit/(loss) before tax		(1.55)
Tax Expense		-
Profit/(loss) after tax		(1.55)
Earnings per equity share of Face Value Rs. 10 each		
(1) Basic		(154.70)
(2) Diluted		(2.35)

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CASH FLOW STATEMENT

Cash Flow Statement for the Period March 17, 2017 to March 31, 2018

(Rs. in Crore)

Particulars	For the period March 17, 2017 to March 31, 2018
A Cash Flow From Operating Activities	
Net Profit Before Tax	(1.55)
Adjusted For:	
Non Cash income and Expenses	
Interest Expense	28.65
Profit on Remeasurement of Investments at Fair Value	(27.73)
Interest Income	(0.09)
Operating (Loss) Before Working Capital Changes	(0.72)
Adjusted For:	
Discount on Debentures	(14.78)
Investment in Assets	(0.42)
Liabilities Incurred	15.09
Cash Generated From Operations	(0.83)
Tax Paid	-
Net Cash From Operating Activities	(0.83)
B Cash Flow From Investing Activities	
Purchase of Investment	(501.00)
Interest Income	0.09
Net Cash (Used In) Investing Activities	(500.90)
C Cash Flow From Financing Activity	
Proceeds From Issue of Optional Convertible Debentures	6.50
Proceeds From Issue of Redeemable Non Convertible Debentures	435.22
ICD From FLFL	69.19
Interest Paid	(18.99)
Proceeds from Issue of shares	10.05
Net Cash Provided By Financing Activity	501.97
Net Increase in Cash & Cash Equivalents (A+B+C)	0.24
Opening Balance of Cash & Cash Equivalents	0.00
Closing Balance of Cash & Cash Equivalent	0.24

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3. Financial Year 2018-19:

BALANCE SHEET

Balance Sheet As At March 31, 2019

('Rs. in Lakh)

	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
A	ASSETS			
	Non-Current assets			
	(a) Property, Plant and Equipment	3	0.88	-
	Total Non - Current Assets		0.88	-
	Current assets			
	(a) Financial Assets			
	(i) Investment	4	66,270.86	52,872.00
	(ii) Trade receivables	5	199.80	17.00
	(iii) Cash and cash equivalents	6	5.41	24.36
	(iv) Short term advances	7	3,913.20	-
	(b) Other Current assets	8	36.74	25.00
	Total Current Assets		70,426.00	52,938.36
	Total Assets		70,426.89	52,938.36
B	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	9	10.20	10.20
	(b) Other Equity	10	9,132.02	1,490.05
	Total equity		9,142.22	1,500.25
	Liabilities			
	Non-Current liabilities			
	(a) Financial Liabilities			
	(i) Long term borrowings	11	32,798.64	43,765.92
	(b) Provisions	12	2.09	1.35
	Total Non - Current Liabilities		32,800.73	43,767.27
	Current liabilities			
	(a) Financial Liabilities			
	(i) Short Term Borrowings	13	27,893.49	7,251.46
	(ii) Trade Payables	14	193.91	7.53
	(iii) Other Financial Liabilities	15	345.65	390.90
	(b) Other Current liabilities	16	50.88	20.93
	(c) Provisions	17	0.02	0.03
	Total Current Liabilities		28,483.94	7,670.84
	Total Equity and Liabilities		70,426.89	52,938.36

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PROFIT & LOSS STATEMENT

Statement of Profit and Loss for the year ended March 31, 2019

		('Rs. in Lakh)	
Particulars	Note No.	FY 2018-19	For the Period March 17, 2017 to March 31, 2018
REVENUE			
Revenue from operations	18	185.00	-
Other Income	19	3,724.73	2,798.57
Total Revenue		3,909.73	2,798.57
EXPENSES			
(a) Employee benefit expense	20	65.55	53.09
(b) Finance costs	21	3,785.06	2,864.95
(c) Depreciation*	3	0.03	-
(d) Other expenses	22	195.28	35.48
Total Expenses		4,045.92	2,953.52
Profit/(loss) before tax		(136.19)	(154.95)
Tax Expense		-	-
Profit/(loss) after tax		(136.19)	(154.95)
Other comprehensive Income(OCI)			
Total comprehensive Income		(136.19)	(154.95)
Earnings per equity share of Face Value Rs. 10 each			
(1) Basic & Diluted		(133.52)	(154.60)

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CASH FLOW STATEMENT

Cash Flow Statement for the year ended March 31, 2019

	(Rs. in Lakh)	
Particulars	FY 2018-19	For the period March 17, 2017 to March 31, 2018
A Cash Flow From Operating Activities		
Net Profit Before Tax	(136.19)	(154.95)
Adjusted For:		
Non Cash income and Expenses		
Interest Expense	3,785.06	2,864.95
Depreciation	0.03	
Profit on Remeasurement of Investments at Fair Value	(3,559.86)	(2,772.40)
Interest Income	(3,724.73)	(9.17)
Operating (Loss) Before Working Capital Changes	(3635.69)	(71.57)
Adjusted For:		
Discount on Debentures	282.72	(1477.86)
Interest Expenses on Optionally Convertible Debenture	5.16	-
Changes in Assets	3121.66	(42.00)
Changes in Liabilities	(95.16)	1508.73
Cash Generated From Operations	(321.31)	(82.70)
Tax Paid	-	-
Net Cash From Operating Activities	(321.31)	(82.70)
B Cash Flow From Investing Activities		
Purchase of Investment	(9,839.00)	(50,099.60)
Purchase of Fixed Assets	(0.91)	-
Payment for Inter Corporate deposits	(7,229.40)	-
Interest Income	3,724.73	9.17
Net Cash (Used In) Investing Activities	(13,344.58)	(50,090.43)
C Cash Flow From Financing Activity		
Proceeds From Issue of Optionally Convertible debentures ("OCD's-Series-II")	7773.00	650.00
Proceeds From Issue of Redeemable Non Convertible Debentures	-	43522.24
Proceeds from Unsecured Loan	9,659.00	6,918.61
Interest Paid	(3,785.06)	(1,898.63)
Proceeds from Issue of shares	-	1005.27
Net Cash Provided By Financing Activity	13646.94	50197.49
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(18.95)	24.36
Opening Balance of Cash & Cash Equivalents	24.36	0.00
Closing Balance of Cash & Cash Equivalent	5.41	24.36

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Annexure – B

Related party transactions entered during the financial year immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided:

DETAILS OF TRANSACTION WITH RELATED PARTIES:

1. Financial Year 2016-17: N.A. (Incorporation Date: 17 March 2017)

2. Financial Year 2017-18:

(i) Transaction with Related Parties:

Nature of transactions	(` in Crore)		
	Subsidiary	Associates and Joint Venture	Investee Companies
Investment Made	0.25	1.47	456.50
Loans & Advances Given	-	0.07	-
Loans & Advances Received	-	0.07	69.52
Expenses Incurred	-	-	0.43
Interest Paid on ICD Issued	-	-	3.33

(ii) Disclosure in respect of Material Transactions with Related Parties

- (i) Investment Made includes Rs. 0.25 Crore into Future Style Lab UK Limited which is a step down subsidiary of Future Style Lab Limited, Rs. 1.47 Crore into Holii Accessories Private Limited. Rs. 456.50 Crore are on account of investments made last year.
- (ii) Loans Received includes Rs. 69.52 from Future Lifestyle Fashions Limited, Rs. 0.02 Crore received from Rachika Trading Limited, Rs. 0.01 Crore Received from Mineral Fashions Limited, Rs. 0.04 Crore received from Clarks Future Footwear Private Limited.
- (iii) Loans and Advances Given includes Rs. 0.02 Crore given to Rachika Trading Limited, Rs. 0.01 Crore given to Mineral Fashions Limited, Rs. 0.04 Crore given to Clarks Future Footwear Private Limited.
- (iv) Expenses Incurred includes Rs. 0.43 Crore with Future Lifestyle Fashions Limited.
- (v) Funds Received includes Rs. 69.52 Crore Funds Received against ICD Issued to Future Lifestyle Fashions Limited.
- (vi) Interest Paid against ICD Issued includes Rs. 3.33 Crore Paid to Future Lifestyle Fashions limited.

21. Nature of Securities Given for Secured Loans are as Under:

None – Convertible Debentures (NCDs) of Rs. 450 Crore are Senior, Secured, Redeemable by pari-pasu first charge on pledge of shares, hypothecation of escrow bank account of the Company, carries coupon rate of 5 % pa and are redeemable at par. NCDs are payable as follows : Rs. 112.50 Crore in FY 19-20, Rs. 112.50 Crore in FY 20-21 and Rs. 225 Crore in FY 21-22.

0.65 Crore Zero coupon Optionally Convertible Debentures (OCD) having Face Value of Rs.10/- each. OCDs at the option of the Company shall be convertible into Equity shares in the ratio of 1 : 1 after completion of 55 months from the date of issuance. If the Company does not exercise the option to convert the OCDs after the tenure, then the Company shall mandatorily redeem the OCDs on completion of six years from the issuance date. The premium payable on the redemption of OCDs, if any, shall be 7.5 % per annum.

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3. Financial Year 2018-19:

(i) Transaction with Related Parties:

II. (I) Transaction with Related Parties

Nature of transactions	(Rs. in Lakh)		
	Subsidiary	Associates and Joint Venture	Investee Companies
Investment Made	9263.00	576.00	-
Loans & Advances Received (Net)	-	-	8246.09
Loans & Advances Given (Net)	2832.00	933.40	-
Optionally Convertible Debentures("OCDs Series-II") Issued	7773.00	-	-
Expenses Incurred	-	-	170.00
Interest Paid on ICD Issued	-	-	1271.84
Interest received on ICD given	135.38	28.84	-
Revenue generated	185.00	-	-
Amount received against last year due	25.00	-	-
Outstanding as on March 31st, 2019			
Receivable	3153.64	959.36	-
Payable	-	-	16827.28

(II) Disclosure in respect of Material Transactions with Related Parties

- (i) Investment Made includes Rs. 4520.00 Lakh into Elisir Lifestyle Private Limited, Rs.4743.00 Lakh into Future Style Lab Limited and Rs. 576.00 Lakh into KFC Shoemaker Private Limited. Investment made till March 31st, 2018 is Rs.45822 Lakh.
- (ii) Loans and advances received (Net) includes Rs. 8246.09 Lakh from Future Lifestyle Fashions Limited. (FY 17-18 – Rs.6952 Lakh)
- (iii) Loans and Advances Given (Net) includes Rs. 2832.00 Lakh given to Future Style Lab Limited (FY 17-18- NIL), Rs. 301.40 Lakh given to Mineral Fashions Limited (FY 17-18 - NIL), Rs. 58 Lakh given to Indus Tree Producers Transform Private Ltd (Step Down Subsidiary) (FY 17-18 – NIL) and Rs.574 Lakh given to Indus tree crafts Pvt. Ltd. (FY 17-18 – NIL)
- (iv) Subscription money received includes Rs. 7773.00 Lakh from Future Lifestyle Fashions Limited against Optionally convertible Debenture ("OCD's Series-II") Issued to Future Lifestyle Fashions Limited. (FY 17-18- NIL)
- (v) Expenses Incurred includes Rs. 170.00 Lakh with Future Lifestyle Fashions Limited. (FY 17-18 – Rs.42.6 Lakh)
- (vi) Interest Paid against ICD Issued includes Rs. 1271.84 Lakh Paid to Future Lifestyle Fashions limited. (FY 17-18 Rs.333 Lakh)
- (vii) Interest Received against ICD given includes Rs. 135.38 Lakh from Future Style Lab Limited(FY 17-18 – NIL), Rs.17.89 Lakh from Mineral Fashions Limited(FY 17-18 – NIL), Rs. 1.01 Lakh from Indus Tree Producer Transform Private Ltd (Step Down Subsidiary) (FY 17-18 – NIL) and Rs.9.94 Lakh from Indus tree crafts Pvt. Ltd. (FY 17-18 – NIL)
- (viii) Revenue generated includes Rs.185 Lakh from Elisir Lifestyle Private limited. (FY 17-18 – Rs.2 Lakh)
- (ix) Amount received against last year due includes Rs.25 Lakh from Future Style Lab UK Limited which is step down subsidiary of Future Style Lab Limited) (FY 17-18 – Rs.25 Lakh)

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General Notes:

1. FLFL Lifestyle Brands Limited (the “**Company**”) was incorporated on 17 March 2017. Hence, in this Private Placement Offer Cum Application Letter, wherever information is required to be disclosed, it has been disclosed since incorporation.
2. “Annexure - A” and “Annexure - B” are deemed to be a part of this Private Placement Offer Cum Application Letter.