

## BALANCE SHEET AS AT MARCH 31, 2012.

Particulars	Note	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
a) Share Capital	2	157,624.37	82,624.37
b) Reserves & Surplus	3	(1,187.95)	179.04
		<b>156,436.42</b>	<b>82,803.41</b>
<b>Non Current Liabilities</b>			
a) Long Term Provisions	4	12.06	6.15
		<b>12.06</b>	<b>6.15</b>
<b>Current Liabilities</b>			
a) Trade Payables	5	53.49	114.79
b) Other Current Liabilities	6	56.12	440.48
c) Short Term Provisions	7	142.18	86.73
		<b>251.79</b>	<b>642.00</b>
<b>TOTAL</b>		<b>156,700.27</b>	<b>83,451.56</b>
<b>ASSETS</b>			
<b>Non- Current Assets</b>			
a) Fixed Assets (Net Block)	8		
(i) Tangible Assets		12.99	16.13
b) Non-Current Investments	9	102,100.82	74,670.76
c) Deferred Tax Assets	10	39.82	10.76
d) Long Term Loans and Advances	11	404.98	1,532.99
		<b>102,558.61</b>	<b>76,230.64</b>
<b>Current Assets</b>			
a) Current Investments	12	26,855.31	384.96
b) Cash and Cash Equivalents	13	106.56	31.37
c) Short Term Loans and Advances	14	26,722.06	6,745.79
d) Other Current Assets	15	457.73	58.80
		<b>54,141.66</b>	<b>7,220.92</b>
<b>TOTAL</b>		<b>156,700.27</b>	<b>83,451.56</b>

See accompanying Notes to Accounts forming part of the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells**  
Chartered Accountants

**M.K.Ananthanarayanan**  
Partner

Place : Mumbai  
Date : 24<sup>th</sup> May, 2012

For and on behalf of the Board

**Kishore Biyani**  
Managing Director

**Manoj Gagvani**  
Company Secretary  
& Head - Legal

**G.N.Bajpai**  
Chairman

**Gopal Bihani**  
Vice President - Finance



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

Particulars	Note	For the year ended March 31, 2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
<b>REVENUE</b>			
Revenue from Operations	16	5,525.78	1,311.64
Other Income	17	5.94	-
<b>TOTAL</b>		<b>5,531.72</b>	<b>1,311.64</b>
<b>EXPENSES</b>			
Employee Benefits Expense	18	718.47	497.79
Depreciation	8	3.96	5.90
Other expenses	19	2,554.04	455.17
<b>TOTAL</b>		<b>3,276.47</b>	<b>958.86</b>
<b>Profit Before Exceptional Items and Tax</b>		<b>2,255.25</b>	<b>352.78</b>
Less : Exceptional Items			
IPO Expenses	20	3,100.30	448.03
<b>Loss Before Tax</b>		<b>(845.05)</b>	<b>(95.25)</b>
<b>Less : Tax Expense</b>			
Current Tax		502.45	42.00
Provision for tax relating to earlier years		48.55	(60.45)
Net Current Tax		551.00	(18.45)
Deferred Tax		(29.06)	(9.55)
		<b>521.94</b>	<b>(28.00)</b>
<b>Loss After Tax</b>		<b>(1,366.99)</b>	<b>(67.25)</b>
<b>Basic &amp; Diluted Earnings per Share (Face Value ₹ 10)</b>	<b>27</b>	<b>(0.09)</b>	<b>(0.01)</b>

See accompanying Notes to Accounts forming part of the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells**  
Chartered Accountants

**M.K.Ananthanarayanan**  
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Place : Mumbai  
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Vice President - Finance

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

Particulars	For the year ended March 31, 2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before tax	(845.05)	(95.25)
<b>Adjustments for :</b>		
Depreciation	3.96	5.90
Exchange Rate Fluctuation	0.04	0.01
Interest Income	(4,827.74)	(1,015.52)
Interest on Income Tax Refund	(5.94)	-
Dividend Income	(676.07)	(46.15)
Loss on Sale of Fixed Assets	0.05	1.76
(Profit) on Sale of Investments	(21.97)	(249.97)
Provision for Standard assets	49.96	16.74
Provision for Compensated absences	4.83	5.90
Provision for Gratuity	6.57	4.10
Operating Profit before Working Capital changes	(6,311.36)	(1,372.48)
(Increase) / Decrease in Loans & Advances	(20,183.42)	4,347.25
Increase / (Decrease) in Liabilities and Provisions	(445.07)	570.22
	(26,939.85)	3,544.99
Income Tax Refund / (Paid)	87.87	(83.68)
Dividend Income	676.07	46.15
Interest Received	3,946.03	974.44
<b>Net Cash from / (used in) operating activities (A)</b>	<b>(22,229.88)</b>	<b>4,481.90</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Fixed assets	0.21	9.31
Purchase of Fixed Assets	(1.08)	(2.36)
Advance towards Share Application Money paid	-	(1,185.00)
Purchase of Investments (Includes dividend reinvested - ₹ 652.34 lakhs), (Previous Year - ₹ 46.15 lakhs)	(197,534.59)	(34,421.67)
Redemption of Investments	144,840.53	5,014.23
<b>Net Cash used in Investing Activities (B)</b>	<b>(52,694.93)</b>	<b>(30,585.49)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Equity Shares (include share application money)	75,000.00	25,000.00
<b>Net Cash from Financing Activities (C)</b>	<b>75,000.00</b>	<b>25,000.00</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>75.19</b>	<b>(1,103.59)</b>
Cash and Cash Equivalents as at the beginning of the year	31.37	1,134.96
Cash and Cash Equivalents as at the end of the year	106.56	31.37
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>75.19</b>	<b>(1,103.59)</b>

In terms of our report attached

For **Deloitte Haskins & Sells**  
Chartered Accountants

**M.K.Ananthanarayanan**  
Partner

Place : Mumbai  
Date : 24<sup>th</sup> May, 2012

For and on behalf of the Board

**Kishore Biyani**  
Managing Director

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Vice President - Finance



## NOTES TO ACCOUNTS

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### a) Basis of Preparation of Financial Statements

The Financial Statements have been prepared under the historical cost convention on accrual basis and in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The said Financial Statements comply with the relevant provisions of the Companies Act, 1956 (the Act), the mandatory Accounting Standards notified by the Central Government of India under Companies (Accounting Standards) Rules, 2006, as amended from time to time and guidelines issued by the Reserve Bank of India for Non-Banking Financial (Non Deposit Accepting or Holding) Companies from time to time.

#### b) Use of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses and disclosure of contingent liabilities as of the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from estimates and assumptions used in preparing these financial statements.

#### c) Revenue Recognition.

Profit / Loss on sale of investments - Realized gain or loss on investments which is the difference between the sale consideration and the carrying cost is recognized in the Statement of Profit and Loss on the date of recognition of sale. In determining the realized gain or loss on sale of a security, the cost of such security is arrived on First in First out basis.

The cost of investments acquired or purchased would include brokerage, stamp charges and any duties directly related to the acquisition of investment.

Transactions for purchase or sale of investments shall be recognized as of the trade date and not as of the settlement date, so that the effect of all investments traded during the financial year are recorded and reflected in the financial statements, for the year.

Where investment transactions take place outside the stock market, for example, acquisitions through private placement or purchases or sales through private treaty, the transaction would be recorded, in the event of a purchase, as of the date on which the Company obtains an enforceable obligation to pay the price or, in the event of sale, when the Company obtains an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the instruments sold.

Interest income from financing activities is recognized at the rates implicit in the contract. Unrealized Interest income relating to Non-performing assets is derecognized. Interest income is recognized on time proportion basis. Dividend income is recognized when the right to receive the same is established.

Fee for services rendered is recognized at the specific rates as per the terms of contract. Advisory fee payable for advisory services is recognized at the specific rates and as per terms agreed.

#### d) Fixed Assets

Fixed Assets are stated at cost less depreciation. Cost includes all direct expenses relating to the acquisition and installation of fixed assets.

#### e) Depreciation

Depreciation is provided on Written Down Value Method at the rates and in the manner prescribed under Schedule XIV to the Companies Act, 1956.

Assets individually costing ₹ 5,000/- or less are depreciated fully in the year of purchase.

#### f) Foreign Currency Transactions

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of transaction. At the year-end, all monetary assets and liabilities denominated in foreign currency are restated at the year-end exchange rates. Exchange differences arising on actual payment / realisation and year end re-instatement referred to above are recognized in the Statement of Profit and Loss.

**g) Investments**

Investments maturing within twelve months from the date of investment and investments made with the specific intention to dispose of within twelve months from the date of investment are classified as current investments. Other investments are classified as long-term investments.

Investments which are long term in nature are stated at cost and provision for diminution is made if the decline in value is other than temporary in nature. If the Balance Sheet of the unlisted investee company is not available for two years, shares in such companies shall be valued at one Rupee only which is in accordance with the prudential norms prescribed by the Reserve Bank of India for Non- Banking Financial (Non Deposit Accepting or Holding) Companies.

Current investments are stated at lower of cost and fair value determined on the basis of each category of investments. For this purpose, the investments shall be categorized as Equity, Preference, Debentures, etc. and considered scrip-wise and the cost and market value aggregated for all investments in each category. Unquoted investments in the units of mutual funds in the nature of current investments shall be valued at the net asset value declared by the mutual fund in respect of each particular scheme as at the Balance Sheet date.

The reclassification of Investments from long term to Current investments would be effected with the approval of the Board of Directors.

**h) Retirement Benefits**

**Defined Benefit Plan**

Gratuity liability determined on actuarial valuation performed in accordance with the projected unit credit method, as at the Balance Sheet date is provided for.

Actuarial gains and losses arising from effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss as income or expense.

**Defined Contribution Plan**

Fixed contributions to Provident Fund are recognized in the accounts on actual cost to the Company.

**Compensated Absences**

Liability for short term compensated absences is recognised as expense based on the estimated cost of eligible leave to the credit of the employees as at the Balance Sheet date on undiscounted basis. Liability for long term compensated absences is determined on the basis of actuarial valuation as on the Balance Sheet date.

**i) Deferred Compensation Cost**

In respect of stock options, granted pursuant to the Company's Employee Stock Option Scheme 2011, the Company determines the compensated cost based on the intrinsic value method and the compensation cost is amortised on a straight line basis over the vesting period.

**j) Taxation**

Current tax is determined on the income for the year chargeable to tax in accordance with the provisions of Income tax Act, 1961.

Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and tax laws that are enacted or substantially enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

**k) Impairment of assets**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which the asset is impaired and the impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

**l) Provisions**

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.



## 2. SHARE CAPITAL

a) The authorized, issued, subscribed and fully paid-up share capital comprises of equity shares.

Particulars	As at	As at
	March 31, 2012 ₹ In Lakhs	March 31, 2011 ₹ In Lakhs
<b>Authorised</b>		
5,000,000,000 (Previous year - 5,000,000,000) Equity Shares of ₹10/- each	500,000.00	500,000.00
	<b>500,000.00</b>	<b>500,000.00</b>
<b>Issued, Subscribed and Fully Paid-up Capital</b>		
1,576,243,700 (Previous year - 826,243,700) Equity Shares of ₹10/- each	157,624.37	82,624.37
<b>TOTAL</b>	<b>157,624.37</b>	<b>82,624.37</b>

b) The authorized, issued, subscribed and fully paid up capital comprises of equity shares of ₹ 10/- each as under :-

Particulars	As at March 31, 2012		As at March 31, 2011	
	No. of Shares	₹ In Lakhs	No. of Shares	₹ In Lakhs
No. of equity shares at the beginning of the year	826,243,700	82,624.37	576,243,700	57,624.37
No. of equity shares issued during the year (Refer Note (i) and (ii))	750,000,000	75,000.00	250,000,000	25,000.00
No. of equity shares at the end of the year	1,576,243,700	157,624.37	826,243,700	82,624.37

### Notes:

- Pursuant to the Initial Public Offer made during the month of April 2011, the Company issued 750,000,000 Shares of ₹ 10 each at a price of ₹ 10 each raising ₹ 75,000 Lakhs. The shares of the Company were listed on National Stock Exchange of India Limited and Bombay Stock Exchange Limited on May 10, 2011.
  - During the previous year, the Company had issued 250,000,000 Equity shares at par value of ₹ 10/- each to promoter companies on preferential basis.
- c) Details of Shareholders holding more than 5% shares in the Company.

Name of the shareholder	As at March 31, 2012		As at March 31, 2011	
	No. of shares	% of Holding	No. of shares	% of Holding
Pantaloon Retail India Limited	150,000,000	9.52	150,000,000	18.15
Gargi Developers Pvt. Ltd.	126,251,081	8.01	-	-
PIL Industries Limited	122,000,000	7.74	122,000,000	14.77
Bennett, Coleman and Company Limited	100,000,000	6.34	100,000,000	12.10
Central Departmental Stores Pvt. Ltd.	95,838,700	6.08	-	-
Future Capital Investment Pvt. Ltd.	-	-	101,800,000	12.32
Future Corporate Resource Limited	-	-	68,045,000	8.24

d) Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. During the year ended March 31, 2012 and March 31, 2011, the Company has not declared any dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholders.

### 3. RESERVES AND SURPLUS

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
Capital Redemption Reserve	5.20	5.20
Statutory Reserve*	338.58	338.58
General Reserve	0.59	0.59
<b>Surplus/(Deficit)</b>		
Opening Balance	(165.33)	(98.08)
<b>Add:</b> (Loss) for the year	(1,366.99)	(67.25)
	(1,532.32)	(165.33)
<b>TOTAL</b>	<b>(1,187.95)</b>	<b>179.04</b>

\*Represents the reserve created in accordance with the provisions of Section 451C of the Reserve Bank of India Act, 1934.

### 4. LONG TERM PROVISIONS

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
Provision for Gratuity	12.06	6.15
<b>TOTAL</b>	<b>12.06</b>	<b>6.15</b>

### 5. TRADE PAYABLES

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
Dues to Micro enterprises and small enterprises *	-	-
Dues – Others	53.49	114.79
<b>TOTAL</b>	<b>53.49</b>	<b>114.79</b>

\* As identified by the management and relied upon by the auditors

### 6. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
Statutory Dues	9.75	0.15
Others *	46.37	440.33
<b>TOTAL</b>	<b>56.12</b>	<b>440.48</b>

\*Includes provision for IPO expenses of ₹ Nil (Previous year ₹ 287.81 Lakhs)

### 7. SHORT TERM PROVISIONS

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
Provision for Standard Assets	66.70	16.74
<b>Provision for Employee Benefits</b>		
Compensated absences	14.14	9.31
Gratuity	1.34	0.68
Bonus and Incentives	60.00	60.00
<b>TOTAL</b>	<b>142.18</b>	<b>86.73</b>



**8. FIXED ASSETS** (₹ In Lakhs)

Description of Assets	Gross Block			Depreciation			Net Block	
	April 1, 2011	Additions	Deletions	March 31, 2012	April 1, 2011	For the year	March 31, 2012	March 31, 2011
<b>TANGIBLE ASSETS</b>								
Office Equipments	15.02	0.86	0.34	15.54	5.48	1.36	6.76	9.54
Computers	24.88	0.15	-	25.03	18.73	2.52	21.25	6.15
Furniture and Fixtures	0.65	0.07	-	0.72	0.21	0.08	0.29	0.44
<b>Total</b>	<b>40.55</b>	<b>1.08</b>	<b>0.34</b>	<b>41.29</b>	<b>24.42</b>	<b>3.96</b>	<b>28.30</b>	<b>16.13</b>
Previous Year	56.13	2.36	17.94	40.55	25.39	5.90	24.42	30.74
<b>INTANGIBLE ASSETS</b>								
Software	0.38	-	-	0.38	0.38	-	0.38	-
<b>Total</b>	<b>0.38</b>	<b>-</b>	<b>-</b>	<b>0.38</b>	<b>0.38</b>	<b>-</b>	<b>0.38</b>	<b>-</b>
Previous Year	0.38	-	-	0.38	0.38	-	0.38	-
<b>GRAND TOTAL</b>	<b>40.93</b>	<b>1.08</b>	<b>0.34</b>	<b>41.67</b>	<b>24.80</b>	<b>3.96</b>	<b>28.68</b>	<b>16.13</b>
Previous Year	56.51	2.36	17.94	40.93	25.77	5.90	24.80	30.74



## 9. NON-CURRENT INVESTMENTS

Particulars	Nominal Value ₹ / Unit	Number of Units		Amount (₹ In Lakhs)	
		As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011
<b>Unquoted</b>					
<b>i) Subsidiaries – Trade</b>					
- <b>In Fully paid up Equity Shares</b>					
Aadhaar Retailing Limited (Refer Note(i))	10	22,400,000	18,200,000	10,717.53	8,617.53
Indus League Clothing Limited	10	28,900,863	25,187,383	43,013.37	38,283.52
Indus Tree Crafts Pvt. Ltd.	100	86,385	55,336	1,494.89	957.59
Future Consumer Products Limited	10	900,000	900,000	2,000.00	2,000.00
Future Consumer Enterprises Limited	10	10,050,000	10,050,000	16,005.00	16,005.00
Amar Chitra Katha Pvt. Ltd.	1	264,057	49,039	8,198.02	1,502.06
- <b>In Fully paid up Preference Shares</b>					
Future Consumer Products Limited	100	145,000	-	145.00	-
- <b>In 0% Optionally Convertible Debentures</b>					
Future Consumer Enterprises Limited	100	2,500,000	-	2,500.00	-
<b>ii) Associates – Trade</b>					
- <b>In Fully paid up Equity Shares</b>					
AND Designs India limited (Refer Note (iii))	10	882,380	441,190	573.15	573.15
Capital Foods Exportts Pvt. Ltd.	10	1,420,892	1,054,269	8,100.07	4,511.25
BIBA Apparels Private Limited	100	132,850	81,250	4,249.24	2,045.66
- <b>In 0% Optional Convertible Debentures</b>					
Capital Foods Exportts Pvt. Ltd.	100	2,500,000	-	2,500.00	-
<b>iii) Joint Venture – Trade</b>					
- <b>In Fully paid up Equity Shares</b>					
Clarks Future Footwear Limited	10	15,750,000	-	2,329.55	-
Holii Accessories Pvt. Ltd.	10	1,850,000	1,750,000	275.00	175.00
<b>Total of Non-Current Investment</b>		<b>87,782,427</b>	<b>57,768,467</b>	<b>102,100.82</b>	<b>74,670.76</b>

Notes: i) During the year, the Company has converted 2,000,000 Debentures of ₹ 100 each into 4,000,000 Equity Shares of ₹ 10 each.

ii) During the year And Designs India Ltd. issued 1 : 1 bonus shares and the face value of share has been split from ₹ 100 to ₹10 each.

## 10. DEFERRED TAX ASSETS

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
Depreciation	0.26	0.09
Provision for Compensated Absences	4.59	3.02
Provision for Gratuity	4.35	2.22
Provision for Standard Assets	21.64	5.43
Disallowable expenditure U/s 40(ia) ie. Non deduction of TDS on Provisions	8.98	-
<b>Net Deferred Tax Asset / (Liability)</b>	<b>39.82</b>	<b>10.76</b>

Deferred Tax Asset arising on long term capital loss of ₹ 1,397.79 Lakhs carried forward from earlier years has not been recognised in the absence of virtual certainty on their realization.



## 11. LONG TERM LOANS AND ADVANCES

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
<b>Unsecured - Considered Good</b>		
(i) Advance towards Purchase of Shares	-	1,185.00
(ii) Prepaid Taxes (Net of provision ₹ 735.21 Lakhs (previous year ₹ 525.77 Lakhs))	204.83	347.84
(iii) Loans and Advances to Related Party	200.00	-
(iv) Other Deposits	0.15	0.15
<b>TOTAL</b>	<b>404.98</b>	<b>1,532.99</b>

## 12. CURRENT INVESTMENTS

Particulars	Nominal Value ₹ / Unit	Number of Units		Amount (₹ In Lakhs)	
		As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011
<b>Unquoted - Non Trade</b>					
<b>i) Mutual Funds</b>					
Axis Liquid Fund - Inst. DDR	1000	30,018	-	300.21	-
Birla Sun life Floating Rate Fund-STP-IP- DDR	100	600,208	-	600.33	-
Daiwa Liquid Fund - Inst. Plan – DDR	1000	52,368	-	523.95	-
Edelweiss Liquid Fund - Inst. Weekly dividend	10	158,671	-	15.88	-
Edelweiss Liquid Fund - Super Inst. DDR	10	10,008,713	-	1,000.87	-
HDFC Liquid Fund - Prem. Plan – DDR	10	222,953	-	27.33	-
ICICI Prudential Flexible Income Plan – DDR	100	-	128,234	-	135.59
ICICI Prudential Floating Rate Fund Plan DDR	100	21,600	-	21.61	-
ICICI Prudential Money Market Fund cash option – DDR	100	300,159	-	300.19	-
IDFC Cash Fund - super Inst. Plan C – DDR	1000	58,799	-	588.13	-
Kotak Floater Short Term – DDR	10	3,242,975	-	328.07	-
Peerless Liquid Fund - super Inst. DDR	10	3,697,929	-	369.85	-
Peerless Ultra Short Super Inst. DDR	10	6,243,894	-	625.31	-
Pramerica Liquid Fund – DDR	1000	38,371	5,164	383.74	51.64
Reliance Liquidity Fund – DDR	10	1,000,358	1,976,358	100.09	197.73
Reliance Money Manager Fund - Inst. Option Daily Dividend	1000	322	-	3.22	-
Religare Liquid Fund - Super Inst. DDR	1000	42,849	-	428.83	-
Religare Ultra Short Term Fund - Inst. Daily Dividend	1000	29,433	-	294.83	-
SBI Premier Liquid Fund - Inst. DDR	1000	56,867	-	570.52	-
SBI SHF Ultra Short term fund - inst. Plan DDR	1000	2,042	-	20.43	-
Taurus Liquid Fund - Inst. DDR	1000	13,008	-	130.09	-
Taurus Liquid Fund - Super Inst. DDR	1000	22,180	-	221.83	-
<b>Sub – Total</b>		<b>25,843,717</b>	<b>2,109,756</b>	<b>6,855.31</b>	<b>384.96</b>
<b>ii) Certificate of Deposits</b>					
Sicom Ltd.		-	-	20,000.00	-
<b>TOTAL</b>		<b>25,843,717</b>	<b>2,109,756</b>	<b>26,855.31</b>	<b>384.96</b>

### 13. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
Cash	0.03	0.01
Cheques on Hand	0.90	-
Balance with Scheduled Bank		
- In Current Account	105.63	31.36
<b>TOTAL</b>	<b>106.56</b>	<b>31.37</b>

### 14. SHORT TERM LOANS AND ADVANCES

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
a) <b>Secured - Considered Good</b>		
(i) Loans and advances to Related Parties	-	1,925.00
b) <b>Unsecured - Considered Good</b>		
(i) Loans and advances to employee	0.07	3.03
(ii) Loans and advances to Related Parties	26,419.00	4,771.60
(iii) Security Deposits	300.00	-
(iv) MAT Credit entitlement	-	7.12
(v) Other loans and advances	2.99	39.04
<b>TOTAL</b>	<b>26,722.06</b>	<b>6,745.79</b>

### 15. OTHER CURRENT ASSETS

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
Interest Accrued on Deposits and Inter Corporate Deposits	457.73	58.80
<b>TOTAL</b>	<b>457.73</b>	<b>58.80</b>

### 16. REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
Gain on Sale of Investments *	21.97	0.03
<b>Interest Income:</b>		
- On Bank Deposits/Other Deposit	1,949.80	0.22
- On Inter Corporate Deposits	2,877.94	1,015.30
<b>Dividend Income:</b>		
Dividend on Mutual Fund	652.34	46.15
Dividend From Long Term Investment : Associates	23.73	-
	<b>676.07</b>	<b>46.15</b>
Profit on Sale of Long Term Securities	-	249.94
<b>TOTAL</b>	<b>5,525.78</b>	<b>1,311.64</b>

\* Includes ₹ 2.10 Lakhs (Previous Year ₹ 0.03 Lakhs) being increase in carrying value based on the net asset value declared by mutual funds.



## 17. OTHER INCOME

Particulars	For the year ended March 31,2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
Interest on Income tax Refund	5.94	-
<b>TOTAL</b>	<b>5.94</b>	<b>-</b>

## 18. EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended March 31,2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
Salaries and Wages	663.81	455.09
Contribution to Provident Fund	18.74	15.00
Staff Welfare Expenses	35.92	27.70
<b>TOTAL</b>	<b>718.47</b>	<b>497.79</b>

## 19. OTHER EXPENSES

Particulars	For the year ended March 31,2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
Rent	82.43	42.54
Legal and Professional Charges	266.99	35.42
Advisory and Mentoring Fees	1,500.00	132.36
Brand Royalty	145.30	110.30
Audit Fees (Refer Note 21)	43.29	21.33
Rates and taxes	0.22	25.15
Directors sitting fees	10.20	7.80
Loss on Sale of Asset	0.05	1.76
Provision for Standard Assets	49.96	16.74
Advertisement and Publicity	367.67	0.51
Exchange Rate Fluctuation	0.04	0.01
Insurance Premium	0.36	0.16
Repairs and Maintenance	0.56	0.59
Miscellaneous expenses	86.97	60.50
<b>TOTAL</b>	<b>2,554.04</b>	<b>455.17</b>

## 20. EXCEPTIONAL ITEMS - IPO EXPENSES

During the year, the Company has allotted 750,000,000 Shares at par value of ₹ 10 per equity share. The IPO expenses incurred during the year aggregating to ₹ 3,100.30 Lakhs (Previous Year ₹ 448.03 Lakhs) have been absorbed in the Statement of Profit and Loss.

## 21. DETAILS OF AUDIT FEES

Particulars	For the year ended March 31, 2012 ₹ in Lakhs	For the year ended March 31, 2011 ₹ in Lakhs
Audit Fees	14.00	12.00
Taxation Matters	1.00	1.00
Other Services *	19.90	4.64
Out of Pocket Expense (Including Taxes and Levies)	8.39	3.69
<b>TOTAL</b>	<b>43.29</b>	<b>21.33</b>

\* Excludes ₹ Nil (Previous Year ₹ 60.44 Lakhs) towards IPO Fees which is included under IPO Expenses.

22. The Company's obligation towards Gratuity is a Defined Benefit plan and the details of actuarial valuation as on March 31, 2012 is given below:

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
<b>Expenses recognized in the Statement of Profit and Loss</b>		
Current Service cost	6.63	5.30
Interest cost on benefit obligations	0.55	0.22
Expected return on plan assets	0.00	0.00
Actuarial (gain)/loss	(0.61)	(1.42)
<b>Net benefit expense</b>	<b>6.57</b>	<b>4.10</b>
<b>Amount recognized in the Balance Sheet</b>		
Closing Projected Benefit Obligation	(13.40)	(6.83)
Closing Fair value of plan assets	0.00	0.00
<b>Unfunded Net Asset/ (Liability) recognized in the Balance Sheet</b>	<b>(13.40)</b>	<b>(6.83)</b>
<b>Changes in the present value of defined benefit obligations are as follows:</b>		
Obligations at period beginning	6.83	2.73
Service Cost	6.63	5.30
Interest on Defined benefit obligation	0.55	0.22
Benefits settled	0.00	0.00
Actuarial (gain)/loss	(0.61)	(1.42)
<b>Obligations at period end</b>	<b>13.40</b>	<b>6.83</b>
<b>Assumptions</b>		
Interest rate	8.00%	8.00%
Salary increase	6.00%	6.00%
Attrition rate	1.00%	1.00%
Retirement age	58 years	58 years

The estimates of future salary increase take into account inflation, seniority, promotion and other relevant factors. The disclosure requirement with regard to composition of Investments in the Fair Value of Plan assets has not been furnished, since the liability is not funded. Disclosure relating to experience adjustments has not been provided in the absence of relevant information.



23. The Company's obligation towards Compensated Absences is a Defined Benefit plan and the details of assumptions made in actuarial valuation as on March 31, 2012 is given below:

Particulars	As at March 31, 2012	As at March 31, 2011
Interest rate	8.00%	8.00%
Salary increase	6.00%	6.00%
Attrition rate	1.00%	1.00%
Retirement age	58 years	58 years

#### 24. EMPLOYEE STOCK OPTION PLAN

The Board at its meeting held on July 12, 2010, approved issue of Stock Options up to a maximum of 1 % of the paid up Equity Share Capital of the Company (before Rights Issue) aggregating to 50,000,000 Equity Shares in a manner provided in the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 subject to the approval of the shareholders under Section 81 (1A) of the Companies Act, 1956. The Shareholders of the Company at the Annual General Meeting held on August 10, 2010 approved the aforesaid issue of 50,000,000 Equity Shares of the Company under one or more Employee Stock Option Scheme(s). Post listing of the company, the shareholders have ratified the pre-IPO scheme. The Compensation and Nomination Committee has approved the following grants to certain directors and employees of the Company and some of its Subsidiaries in accordance with the FVIL Employees Stock Option Plan 2011 (ESOP Scheme):

Particulars	Grant I	Grant II
Date of Grant	27 <sup>th</sup> March 2011	14 <sup>th</sup> Feb 2012
Exercise Price	₹ 10 per option	The Exercise Price in respect of Options granted shall be determined by the committee and shall not be less than the face value of one equity share of the Company (₹ 10 per Share)
Vesting Commences on	27 <sup>th</sup> March 2012	14 <sup>th</sup> Feb 2013
Options outstanding at the beginning of the year		
- Vested	Nil	Nil
- Yet to Vest	13,280,000	Nil
Options Vested	3,909,000	Nil
Options Granted	Nil	2,055,000
Options Exercised	Nil	Nil
Options Forfeited/Lapsed	250,000	Nil
Options outstanding at the end of the year		
- Vested	3,909,000	Nil
- Yet to Vest	9,121,000	2,055,000

#### Deferred Stock Compensation Expense:

As the exercise price has been fixed at fair value as on date of grant, there is no compensation cost which needs to be amortized over the vesting period of the stock option.

#### Fair Value Methodology

The fair value of Options used to compute proforma net profit and earnings per Equity Share have been estimated on the date of the grant using Black-Scholes model by an independent consultant.

The key assumptions used in the Black-Scholes model for calculating the fair value as on the date of the grants are:

Particulars	Grant I	Grant II
Vesting Date	Options vest over a period of 3 years in the ratio of 30%, 30%, 40%	Options vest over a period of 3 years in the ratio of 30%, 30%, 40%
Risk-Free Interest Rate (Average)	7.79%	8.27%
Expected Life (Years)	2.50 years	2.50 years
Expected volatility of Share Price (%)	Since the company is unlisted, zero volatility has been considered	29.07%
Dividend Yield (%)	The company has not declared dividend, hence dividend has not been considered	The company has not declared dividend, hence dividend has not been considered
Price of the underlying share at the time of option	₹ 10 each	₹ 8.75 each
Fair Value of the Option	₹ 2.36 each	₹ 3.22 each

Had compensation cost for the Stock Options granted under the Scheme been determined based on fair value approach, the company's net profit and earnings per share would have been as per the pro forma amounts indicated below:

#### Impact on Net Profit

Particulars	₹ In Lakhs
Net Loss (As reported)	(1,366.99)
Add: Stock based employee compensation expense included in net profit	Nil
Less: Stock based compensation expense determined under fair value based method (Proforma)	(186.04)
Net Loss (Proforma)	(1,553.03)

#### Impact on Earnings Per Share

Particulars	₹ per share
Basic Earnings per Share of ₹ 10 each (As reported)	(0.09)
Basic Earnings per Share of ₹ 10 each (Proforma)	(0.10)
Diluted Earnings per Share of ₹ 10 each (As reported)	(0.09)
Diluted Earnings per Share of ₹ 10 each (Proforma)	(0.10)

25. During the year ended March 31, 2012, the Company has formulated a scheme (Future Ventures Employee Welfare Trust Plan (FVEWTP)) which shall be administered by the IL&FS Trust Company Limited. The objective of the FVEWTP is to subscribe to the equity shares of the Company, to hold and dispose them from time to time and to distribute any surpluses arising there from to the beneficiaries of FVEWTP. Certain eligible employees of the Company and its Business Ventures as recommended by the Executive Committee are the beneficiaries under FVEWTP.

#### 26. SEGMENTAL REPORTING

The Company is primarily engaged in the business of investing/financing in consumer product Businesses/Brands. Further, the Company does not have any operations outside India. As such, there are no separate reportable segments as per AS 17 "Segmental Reporting".

#### 27. EARNINGS PER SHARE

##### Numerator

The Company has only one class of equity share, hence the Profit after Tax is used for computation of earnings per share without any adjustment.

##### Denominator

Particulars	March 31, 2012	March 31, 2011
No. of equity shares at the beginning of the year	826,243,700	576,243,700
No. of equity shares at the end of the year	1,576,243,700	826,243,700
Weighted average number of shares outstanding during the year	1,506,571,569	758,161,508



The Company has issued employee stock options during the year which gives rise to potential equity shares. However, as per the terms of the stock option scheme, the exercise price is greater than the average fair value of the shares during the year. Therefore, these potential shares are considered to be anti-dilutive and accordingly, they are not considered in the computation of diluted earnings per share. Hence the basic and diluted earnings per share are the same.

## 28. UTILISATION OF IPO FUNDS

Particulars	Amount as per Prospectus	(₹ In Lakhs)
		Amount Utilized As at March 31, 2012
(a) To create, build, invest in or acquire, and operate Business Ventures	53,135.56	24,060.43
(b) For General corporate purpose	17,711.85	14,597.96
(c) Issue Related Expenses	4,152.59	3,548.33
<b>TOTAL</b>	<b>75,000.00</b>	<b>42,206.72</b>

Pending utilization of the full proceeds of the issue, the funds are temporarily invested/held in various Mutual Funds, Certificate of Deposits, Inter Corporate Deposits and Company's Bank Accounts.

29. Certain subsidiaries of the company have incurred losses resulting in erosion of their net worth. These companies are in the process of building respective businesses/brands and creating substantial value. The management is fully committed to lead them to profitability by providing the necessary financial support and mentoring. Therefore, in the opinion of the management, the diminutions in the value of the said investment are not other than temporary in the nature and consequently, no adjustment is considered necessary to their carrying values.

## 30. RELATED PARTY DISCLOSURES

### A. Names of Related Parties and Nature of Related Parties Relationship

(as identified by the management and relied upon by the auditors)

Particulars	March 31,2012	March 31,2011
i) Subsidiaries	Aadhaar Retailing Limited Indus League Clothing Limited Lee Cooper (India) Limited (Subsidiary of Indus League Clothing Limited) Indus Tree Crafts Pvt. Ltd. Indus Tree Producer Transform Pvt. Ltd. (Subsidiary of Industree Craft Pvt. Ltd.) Future Consumer Enterprise Limited Future Consumer Products Limited Amar Chitra Katha Pvt. Ltd. (With effect from June 30,2011) IBH Books & Magazines Distributors Pvt. Ltd. (Subsidiary of Amar Chitra Katha Pvt. Ltd.) ACK Edutainment Pvt. Ltd. (Subsidiary of Amar Chitra Katha Pvt. Ltd.) ACK Eaglemoss Collectibles Publishing Private Limited (Subsidiary of Amar Chitra Katha Pvt. Ltd.) ACK Media Direct Pvt. Ltd. (Subsidiary of Amar Chitra Katha Pvt. Ltd.) Karadi Tales Company Pvt. Ltd. (Subsidiary of Amar Chitra Katha Pvt. Ltd.)	Aadhaar Retailing Limited Indus League Clothing Limited Lee Cooper (India) Limited (Subsidiary of Indus League Clothing Limited) Indus Tree Crafts Pvt. Ltd. Future Consumer Enterprise Limited (With effect from August 2, 2010) Future Consumer Products Limited (With effect from June 29, 2010) Star Shopping Centres Pvt. Ltd. (Upto July 26, 2010)



Particulars	March 31,2012	March 31,2011
	Karadi Path Education Company Pvt. Ltd. (Subsidiary of Amar Chitra Katha Pvt. Ltd. till February 13, 2012 ) Ideas Box Entertainment Pvt. Ltd. (Subsidiary of Amar Chitra Katha Pvt. Ltd.)	
ii) Associates	And Designs India Limited Capital Foods Exportts Pvt. Ltd. Capital Foods Limited (Subsidiary of Capital Foods Exportts Pvt. Ltd.) Integrated Food Park Pvt. Ltd. (Subsidiary of Capital Foods Limited ) Turtle Limited (Associate of Indus League Clothing Limited) Biba Apparels Pvt. Ltd. Amar Chitra Katha Pvt. Ltd. (Upto June 30,2011) Karadi Path Education Company Pvt. Ltd. (Associate of Amar Chitra Katha Pvt. Ltd. from February 14, 2012 )	And Designs India Limited Capital Foods Exportts Pvt. Ltd. Capital Foods Limited (Subsidiary of Capital Foods Exportts Pvt. Ltd.) Integrated Food Park Pvt. Ltd. (Subsidiary of Capital Foods Limited ) Turtle Limited (Associate of Indus League Clothing Limited) Biba Apparels Pvt. Ltd. (With effect from March 14, 2011) Amar Chitra Katha Pvt. Ltd. (With effect from March 19,2011)
iii) Joint Ventures	Holii Accessories Pvt. Ltd. Celio Future Fashion Limited (Joint Venture of Indus League Clothing Limited) Clarks Future Footwear Limited (With effect from June 29, 2011)	Holii Accessories Pvt. Ltd. Celio Future Fashion Limited (Joint Venture of Indus League Clothing Limited)
iv) Enterprises over which key management personnel can exercise control/ significant influence	Pantaloon Retail (India) Limited PIL Industries Limited (Formerly known as Pantaloon Industries Limited) Akar Estate & Finance Pvt. Ltd. Anchor Mall Pvt. Ltd. Bansi Mall Management Co. Pvt. Ltd. ESES Commercial Pvt. Ltd. Future Corporate Resources Limited Future Human Development Limited Future Ideas Company Limited Future Ideas Realtors India Limited Future Outdoor Media Solutions Limited Ishkrupa Mall Management Co. Pvt. Ltd. Manz Retail Pvt. Ltd. Nufuture Digital (India) Limited PRTL Enterprises Limited Splendor Fitness Pvt. Ltd. (Formerly known as Talwalkars Pantaloon Fitness Pvt. Ltd.)  Suhani Trading & Consultants Pvt. Ltd. Future Finance Limited Future Media (India) Limited Future E-Commerce Infrastructure Limited	Pantaloon Retail (India) Limited PIL Industries Limited (Formerly known as Pantaloon Industries Limited) Future Capital Investment Pvt. Ltd. Future Capital Holdings Limited Future Corporate Resources Limited Future Ideas Realtors India Limited Future Ideas Company Limited Future Value Retail Limited Home Solutions Retail (India) Limited Future Agrovot Limited Winner Sports Limited Future Capital Financial Services Limited Future Finance Limited Kshitij Investment Advisory Company Limited Splendor Fitness Pvt. Ltd. (Formerly known as Talwalkars Pantaloon Fitness Pvt. Ltd.) Future Realtors (India) Pvt. Ltd. Iskrupa Mall Management Company Pvt. Ltd. Anchor Malls Pvt. Ltd. Future Brands Limited Bansi Mall Management Co. Pvt. Ltd.



Particulars	March 31,2012	March 31,2011
	Future Generali India Life Insurance Company Limited Future Generali India Insurance Company Limited Future Ventures Employee Welfare Trust	Future Outdoor Media Solutions Limited
v) Key Management Personnel	Kishore Biyani - Managing Director	Kishore Biyani - Managing Director

## B. Transactions with Related Parties

(₹ In Lakhs)

Nature of Transactions	Subsidiaries	Associates	Joint Ventures	Enterprises over which key management personnel can exercise control/significant influence	Key Management Personnel
Purchase of Investments (Equity Shares) (Refer Note (i))	6,064.79 (16,000.00)	3,500.00 (1,801.98)	100.00 (100.00)	2,325.00 (12,005.00)	- -
Purchase of Investments (Preference Shares)	145.00 -	- -	- -	- -	- -
Purchase of Investments (Optionally Convertible Debentures) (Refer Note (i))	4,500.00 -	2,500.00 -	- -	- -	- -
Sale of Investments	- (1,250.00)	- -	- -	- (300.00)	- -
Issue of Equity Shares	- -	- -	- -	- (25,000.00)	- -
Loans & Advances Given	- -	- -	- -	861.00 -	- -
ICDs Given	51,670.00 (3,055.00)	29,827.00 (900.00)	1,800.00 (350.00)	31,727.00 (13711.60)	- -
Loans & Advances Received Back	- -	- -	- -	661.00 -	- -
Interest Income	1,235.08 (174.00)	641.05 (8.03)	14.28 (10.94)	987.54 (748.17)	- -
ICDs Received back	47,255.00 (3,125.00)	24,680.00 (800.00)	1700.00 (350.00)	22,016.60 (17,795.00)	- -
Dividend Income	- -	23.73 -	- -	- -	- -
Managerial Remuneration	- -	- -	- -	- -	17.92 -
Reimbursement of Expenses and Other Expenses	- (0.11)	7.95 -	0.09 -	7.54 (24.08)	- -
Rent Expenses	- -	- -	- -	4.99 (14.03)	- -
Mentoring and Advisory Fees	- -	- -	- -	1,500.00 (132.36)	- -
Brand Royalty	- -	- -	- -	137.88 (110.30)	- -
Advertisement Expenses	- -	- -	- -	657.26 -	- -
Sale of Fixed Assets	- -	- -	- -	- (2.79)	- -

(₹ In Lakhs)

Nature of Transactions	Subsidiaries	Associates	Joint Ventures	Enterprises over which key management personnel can exercise control/significant influence	Key Management Personnel
Interest Receivable	81.11 (22.49)	74.81 (0.62)	0.31 -	106.42 (35.69)	- -
Other Receivables	- -	- -	- -	0.31 -	- -
Advances for Purchase of Shares	- (1,175.00)	- (10.00)	- -	- -	- -
Trade Advance Given and Settled	- -	- -	- -	- (1,350.00)	- -
ICDs Outstanding	5,820.00 (1,405.00)	5,562.00 (100.00)	100.00 -	14,937.00 (5,191.60)	- -
Loans and Advances outstanding	- -	- -	- -	200.00 -	- -
Payables	- -	- -	- -	- (231.62)	- -
Bank Guarantees and Securities Given	3,900.00 (5,800.00)	- -	- -	- -	- -

**Notes:**

- i. Includes Optional convertible debentures amounting to ₹ 2,000 Lakhs issued by a subsidiary company Aadhaar Retailing Limited which has been converted into equity shares of ₹ 10 each.
- ii. Figures in bracket represent previous year's figures.



### C. Disclosure in respect of Material Transactions with Related Parties

(₹ In Lakhs)

Nature of Transactions	Particulars	March 31, 2012	March 31, 2011
<b>Purchase of Investments</b> (Equity Shares) (Refer Note (i))	Future Consumer Enterprise Limited	-	16,000.00
	Indus League Clothing Limited	1,174.38	-
	Aadhaar Retailing Limited	2,100.00	-
	Amar Chitra Katha Pvt. Ltd.	2,253.11	-
	Pantaloon Industries Limited	2,325.00	-
	Capital Foods Exportts Pvt. Ltd.	3,500.00	-
	Future Corporate Resources Limited	-	3,932.85
<b>Purchase of Investments</b> (Preference Shares)	Future Consumer Products Limited	145.00	-
<b>Purchase of Investments</b> (Optional Convertible Debentures) (Refer Note (i))	Aadhaar Retailing Limited	2,000.00	-
	Future Consumer Enterprises Limited	2,500.00	-
	Capital Foods Exportts Pvt. Ltd.	2,500.00	-
<b>Sale of Investments</b>	Indus League Clothing Limited	-	1,250.00
	Future Realtors (India) Pvt. Ltd.	-	300.00
<b>Issue of Equity Shares</b>	Pantaloon Retail India Limited	-	15,000.00
	Future Capital Investment Pvt. Ltd.	-	10,000.00
<b>Dividend Income</b>	And Design India Limited	4.41	-
	Biba Apparels Pvt. Ltd.	19.32	-
<b>Interest Income</b>	Aadhaar Retailing Limited	-	45.68
	Lee Cooper (India) Limited	-	120.35
	Indus League Clothing Limited	856.63	-
	Iskrupa Mall Management Company Pvt. Ltd.	-	176.98
	Bansi Mall Management Co. Pvt. Ltd.	-	208.15
<b>Managerial Remuneration</b>	Mr. Kishore Biyani	17.92	-
<b>Reimbursement of Expenses and Other Expenses</b>	Integrated Food Park Pvt. Ltd.	7.95	21.00
	Future Generali India Life Insurance Company Limited	2.72	-
	Future Generali India Insurance Company Limited	2.68	-
<b>Rent Expenses</b>	Future Finance Limited	4.99	3.74
	Kshitij Investment Advisory Company Limited	-	10.29
<b>Mentoring and Advisory Fees</b>	Future Corporate Resources Limited	360.00	132.36
	Pantaloon Retail India Limited	1,140.00	-
<b>Brand Royalty</b>	Future Ideas Company Limited	137.88	110.30
<b>Sale of Fixed Assets</b>	Future Corporate Resources Limited	-	2.79
<b>Interest Receivable</b>	Aadhaar Retailing Limited	37.97	3.51
	Integrated Food Park Pvt. Ltd.	58.47	NA
	Lee Cooper ( India ) Limited	NA	14.91
	Future Ideas Company Limited	NA	23.19

(₹ In Lakhs)

Nature of Transactions	Particulars	March 31, 2012	March 31, 2011
<b>Other Receivables</b>	Future Generali India Life Insurance Company Limited	0.05	-
	Future Generali India Insurance Company Limited	0.27	-
<b>Loans and Advances Given</b>	Future Ventures Employee Welfare Trust	861.00	-
<b>ICDs Given</b>	Indus League Clothing Limited	37,085.00	NA
	Aadhaar Retailing Limited	NA	1,780.00
	Splendor Fitness Pvt. Ltd.	NA	2,250.00
	Iskrupa Mall Management Company Pvt. Ltd.	NA	2,025.00
	Bansi Mall Management Company Pvt. Ltd.	NA	4,025.00
	Future Ideas Company Limited	NA	2,090.00
<b>Loans and Advances received back</b>	Future Ventures Employee Welfare Trust	661.00	-
<b>ICDs Received Back</b>	Indus League Clothing Limited	34,860	NA
	Aadhaar Retailing Limited	NA	1,875.00
	Splendor Fitness Pvt. Ltd.	NA	2,250.00
	Iskrupa Mall Management Company Pvt. Ltd.	NA	4,050.00
	Bansi Mall Management Company Limited	NA	4,200.00
<b>Advances for Purchase of Shares</b>	Indus League Clothing Limited	-	1,175.00
<b>Trade Advance Given and Settled</b>	Future Corporate Resources Limited	-	1,350.00
<b>ICDs Outstanding</b>	Aadhaar Retailing Limited	NA	230.00
	Lee Cooper (India) Limited	NA	650.00
	Bansi Mall Management Co. Pvt. Ltd.	NA	1,925.00
	Future Ideas Company Limited	NA	2,090.00
<b>Loans and Advances outstanding</b>	Future Ventures Employee Welfare Trust	200.00	-
<b>Payables</b>	Future Corporate Resources Limited	-	121.33
	Future Ideas Company Limited	-	110.29
<b>Bank Guarantees and Securities Given</b>	Indus League Clothing Limited	3,300.00	3,300.00
	Indus Tree Crafts Pvt. Ltd.	600.00	600.00
	Aadhaar Retailing Ltd (Refer Note (ii))	-	1,900.00

**Notes:**

- Includes optionally convertible debentures amounting to ₹ 2,000 Lakhs issued by subsidiary company Aadhaar Retailing Limited has been converted into equity.
- In the previous year, 7,000,000 shares of Aadhaar Retailing Limited held by the Company have been pledged to Future Capital Holdings Limited.



### 31. EXPENDITURE IN FOREIGN CURRENCY

Particulars	For the year ended March 31, 2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
Travelling and Conveyance Expenses	1.79	1.92
Miscellaneous Expenses	-	0.01
Legal and Professional Fees	6.69	-
<b>TOTAL</b>	<b>8.48</b>	<b>1.93</b>

### 32. CONTINGENT LIABILITIES

#### A. Bank Guarantees and Asset Given as Security

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
<b>Bank Guarantees</b>		
Indus League Clothing Ltd.	3,300.00	3,300.00
Indus Tree Crafts Pvt. Ltd.	600.00	600.00
<b>Asset Given as Security *</b>		
Aadhaar Retailing Ltd	-	1,900.00
<b>TOTAL</b>	<b>3,900.00</b>	<b>5,800.00</b>

\* In the previous year, 7,000,000 Equity Shares in Aadhaar Retailing Limited have been pledged to Future Capital Holdings Limited (FCH) as security for loan availed by Aadhaar Retailing Limited from FCH.

- B. Share Purchase Obligation towards investment in Group Company (net of advances) is ₹ Nil (Previous Year – ₹ 2,188.08 Lakhs)
- C. No provision is presently considered necessary for Income tax demands aggregating to ₹ 113.20 Lakhs (Previous Year ₹ Nil) which are under various stages of appeal as the company is of the view that the said demands are not sustainable in law.

### 33. DISCLOSURE OF LOANS AND ADVANCES / INVESTMENTS AS PER CLAUSE 32 OF THE LISTING AGREEMENT

(₹ In Lakhs)

Name of the Company	As at March 31, 2012	
	Outstanding Loan Amount	Maximum Loan Amount outstanding
<b>Subsidiaries</b>		
Aadhaar Retailing Limited	1,770.00	1,870.00
Future Consumer Enterprises Limited	310.00	310.00
Indus League Clothing Limited	2,500.00	9,775.00
Indus Tree Producer Transform Pvt. Ltd.	-	200.00
IndusTree Crafts Pvt. Ltd.	290.00	335.00
Lee Cooper (India) Limited	950.00	2,650.00
<b>TOTAL</b>	<b>5,820.00</b>	<b>15,140.00</b>
<b>Associates</b>		
And Design India Limited	1,200.00	1,300.00
Biba Apperals Pvt. Ltd.	1,300.00	2,000.00
Capital Foods Limited	-	400.00
Capital Foods Exportts Pvt. Ltd.	965.00	2,565.00
Integrated Food Park Pvt. Ltd.	1,497.00	1,497.00
Turtle Limited	600.00	1,900.00
<b>TOTAL</b>	<b>5,562.00</b>	<b>9,662.00</b>

(₹ In Lakhs)

Name of the Company	As at March 31, 2012	
	Outstanding Loan Amount	Maximum Loan Amount outstanding
<b>Companies in which Directors are interested</b>		
Future Corporate Resources Limited	1,240.00	1,260.00
Future Ideas Company Limited	1,000.00	2,090.00
<b>TOTAL</b>	<b>2,240.00</b>	<b>3,350.00</b>
<b>Investments held by Loanee Companies in its Subsidiary to whom loan has been given</b>		
Name of the Company	No. of Shares Held	
Investments by Indus League Clothing Limited in its subsidiary Lee Cooper	1,800,000	
Investments by Indus Tree Crafts Private Limited in its subsidiary Indus Tree Producer Transform Pvt. Ltd.	694,355	

34. Disclosure Pursuant to Reserve Bank of India Notification DNBS.193DG (VL) - 2007 dated February 22, 2007 (Para 13 Disclosure) is given below :-

Schedule to the Balance Sheet of a non-deposit taking Non-Banking Financial Company (as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

(₹ In Lakhs)

Particulars	Period March 31, 2012	
	Amount Outstanding	Amount Overdue
<b>Liabilities side</b>		
(1) <b>Loans and advances availed by the nonbanking financial company inclusive of interest accrued thereon but not paid:</b>		
(a) Debentures : Secured	-	-
: Unsecured	-	-
(other than falling within the meaning of public deposits)		
(b) Deferred Credits	-	-
(c) Term Loans	-	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	-	-
(f) Other Loans (specify nature)	-	-
<b>Assets side</b>		<b>Amount Outstanding</b>
(2) <b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>		(₹ In Lakhs)
(a) Secured		-
(b) Unsecured		26,681.64
(3) <b>Break up of Leased Assets and stock on hire and other assets counting towards AFC activities:</b>		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease		-
(b) Operating lease		-





(5)	<b>Borrower group-wise classification of assets financed as in (2) and (3) above:</b>		
	<b>Category</b>	<b>Amount Net of Provisions (₹ In Lakhs)</b>	
		<b>Secured</b>	<b>Unsecured</b>
	1. Related Parties		
	(a) Subsidiaries	-	5,901.11
	(b) Companies in the same group	-	20,780.53
	(c) Other related parties	-	-
	2. Other than related parties	-	-
	<b>TOTAL</b>	<b>-</b>	<b>26,681.64</b>
(6)	<b>Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):</b>		
	<b>Category</b>	<b>Market Value/ Break up or fair value or NAV</b>	<b>Book Value(Net of Provisions) (₹ In Lakhs)</b>
	1. Related Parties		
	(a) Subsidiaries	-	84,073.81
	(b) Companies in the same group	-	18,027.01
	(c) Other related parties	-	-
	2. Other than related parties	-	26,855.31
	<b>TOTAL</b>	<b>-</b>	<b>128,956.13</b>
(7)	<b>Other information:</b>		
	<b>Particulars</b>	<b>Amount</b>	
	(i) Gross Non-Performing Assets		
	(a) Related parties	-	
	(b) Other than related parties	-	
	(ii) Net Non-Performing Assets		
	(a) Related parties	-	
	(b) Other than related parties	-	
	(iii) Assets acquired in satisfaction of debt	-	



**35. Disclosure Pursuant to Reserve Bank of India Notification DNBS.200/CGM (PK) 2008 dated August 1, 2008 (CRAR Disclosure) is given below:-**

**A. Capital to Risk Asset Ratio**

Sr. No.	Items	Current Year	Previous Year
	CRAR (%)		
i)	CRAR - Tier I capital (%)	91.68%	58.26%
ii)	CRAR - Tier II Capital (%)	0.14%	0.12%

**B. Exposure to Real Estate**

(₹ In lakhs)

Category	Current Year	Previous Year
a) Direct exposure		
(i) Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to ₹ 15 lakh may be shown separately)	-	-
(ii) Commercial Real Estate - Lending secured by mortgages on commercial real estate's (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	-	-
(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -		
a. Residential,	-	-
b. Commercial Real Estate.	-	-
b) Indirect Exposure Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	-	-

**C. Maturity pattern of Asset and Liability**

(₹ In Lakhs)

Particulars	1 day to 30/31 days (One Month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 year to 5 years	Over 5 years	Total
<b>Liabilities</b>									
Borrowings from banks	-	-	-	-	-	-	-	-	-
Market Borrowings	-	-	-	-	-	-	-	-	-
<b>Assets</b>									
Inter Corporate Deposits	4,733.56	5,977.64	2,246.96	2,529.13	11,194.35	-	-	-	<b>26,681.64</b>
Investments	18,855.31	-	-	8,000.00	-	145.00	-	101,955.82	<b>128,956.13</b>

36. Disclosure of Frauds reported during the year vide DNBS.PD.CC No. 256/03.10.042/2011-12 Dated March 2, 2012 (as relied upon by auditors).

During the year there were no events of frauds noticed or reported by the Company.

### 37. INFORMATION ON JOINT VENTURE ENTITY

The particulars of the Company's Joint Venture Entities as at March 31, 2012 including its percentage holding and its proportionate share of Assets, Liabilities, Contingent Liabilities, Capital Commitments, Income and Expenditures of each Joint Venture Entities are given here below: -

(₹ In Lakhs)

Name of the Joint Venture	% Holding	Assets	Liabilities	Contingent Liabilities	Capital Commitments	Income	Expenses
Holii Accessories Pvt. Ltd. (As at March 31, 2012)	50%	231.82 (150.84)	169.70 (93.53)	- ( 1.71)	- -	285.30 (196.70)	380.49 (283.80)
Clarks Future Footwear Limited (As at January 31, 2012)	50%	1,731.47 (NA)	634.89 (NA )	- (NA )	7.91 ( NA )	1,185.49 (NA )	1,600.78 (NA )

(Figures within bracket represent previous year figures.)

38. The Revised Schedule VI has become effective from April 1, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

#### For and on behalf of the Board

**Kishore Biyani**  
Managing Director

**G.N. Bajpai**  
Chairman

**Manoj Gagvani**  
Company Secretary  
& Head – Legal

**Gopal Bihani**  
Vice President - Finance

Place : Mumbai  
Date : 24<sup>th</sup> May, 2012



## AUDITORS' REPORT

### TO THE BOARD OF DIRECTORS OF FUTURE VENTURES INDIA LIMITED

1. We have audited the attached Consolidated Balance Sheet of **FUTURE VENTURES INDIA LIMITED** ("the Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") as at March 31, 2012, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. The Consolidated Financial Statements include investments in associates accounted on the equity method in accordance with Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) and the jointly controlled entities accounted in accordance with Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the responsibility of the Company's Management and have been prepared on the basis of the separate financial statements and other information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of subsidiaries and joint ventures, whose financial statements reflect total assets of ₹ 88,516.13 Lakhs as at March 31, 2012, total revenues of ₹ 81,816.58 Lakhs and net cash outflows amounting to ₹ 6,857.39 Lakhs for the year ended on that date as considered in the Consolidated Financial Statements. We, also, did not audit the financial statements of associates, whose Group's share of profits of ₹ 328.64 Lakhs for the year ended on that date as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in respect of these subsidiaries, joint ventures and associates is based solely on the reports of the other auditors.
4. The financial statements of two associates which reflect the Group's share of profits of ₹ 753.71 Lakhs for the year ended March 31, 2012 was not audited and we have relied upon the unaudited financial statement provided by the Management of those associates for the purpose of our examination of Consolidated Financial Statements of the Group.
5. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements), Accounting Standard 23 (Accounting for Investment in Associates in Consolidated Financial Statements) and Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006.
6. Subject to our comments in Para 4 and read with our comments in Para 3 and based on our audit and on consideration of the separate audit reports on the individual financial statements of the Company, and the aforesaid subsidiaries and joint ventures and associates, and to the best of our information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2012;
  - (ii) in the case of the Consolidated Statement of Profit and Loss, of the Loss of the Group for the year ended on that date and
  - (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

**For Deloitte Haskins & Sells**  
Chartered Accountants  
(Registration No.008072S)

**M.K.ANANTHANARAYANAN**  
Partner  
(Membership No.19521)

Mumbai, 24<sup>th</sup> May 2012

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2012.

Particulars	Note	As at March 31st 2012 ₹ In Lakhs	As at March 31st 2011 ₹ In Lakhs
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	4	157,624.37	82,624.37
Reserves & Surplus	5	(13,870.62)	(9,936.18)
<b>Minority Interest</b>		3,794.64	3,465.75
<b>Non Current Liabilities</b>			
a) Long Term Borrowings	6	1,866.97	1,204.89
b) Other Long Term Liabilities	7	244.41	0.36
c) Long Term Provisions	8	118.25	99.31
		2,229.63	1,304.56
<b>Current Liabilities</b>			
a) Short Term Borrowings	9	16,591.29	16,682.81
b) Trade Payables	10	13,068.69	10,760.96
c) Other Current Liabilities	11	3,063.77	4,492.44
d) Short Term Provisions	12	609.39	352.22
		33,333.14	32,288.43
<b>TOTAL</b>		<b>183,111.16</b>	<b>109,746.93</b>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
a) Fixed Assets (Net Block)	13		
(i) Tangible Assets		7,648.00	7,248.34
(ii) Intangible Assets		17,799.08	17,340.50
		25,447.08	24,588.84
(iii) Capital Work-in-Progress (Includes Proportionate share in Joint Venture ₹ 36.80 lakhs (Previous Year - ₹. 13.55 lakhs)		582.53	243.86
		26,029.61	24,832.70
b) Goodwill on Consolidation	1.A.i	39,428.71	31,593.87
c) Non-Current Investments	14	19,846.86	11,791.22
d) Deferred Tax Asset (Net)	15	144.51	10.76
e) Long Term Loan & Advances	16	4,812.34	2,639.84
f) Other Non Current Assets	17	25.00	2.55
		90,287.03	70,870.94
<b>Current Assets</b>			
a) Current Investments	18	29,723.76	384.96
b) Inventories	19	15,851.84	12,130.27
c) Trade Receivables	20	20,900.15	18,678.38
d) Cash and Cash Equivalents	21	2,539.38	729.68
e) Short Term Loan & Advances	22	23,137.59	6,915.42
f) Other Current Assets	23	671.41	37.28
		92,824.13	38,875.99
<b>TOTAL</b>		<b>183,111.16</b>	<b>109,746.93</b>

See accompanying Notes to Accounts forming part of the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells**  
Chartered Accountants

**M.K.Ananthanarayanan**  
Partner

Place : Mumbai  
Date : 24<sup>th</sup> May, 2012

For and on behalf of the Board

**Kishore Biyani**  
Managing Director

**Manoj Gagvani**  
Company Secretary  
& Head - Legal

**G.N.Bajpai**  
Chairman

**Gopal Bihani**  
Vice President - Finance



## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

Particulars	Note	For the year ended March 31, 2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
<b>REVENUE</b>			
Revenue from Operations	24	85,825.43	54,715.90
Other Income	25	215.67	210.22
<b>TOTAL</b>		<b>86,041.10</b>	<b>54,926.12</b>
<b>EXPENDITURE</b>			
Cost of Material Consumed	26	23,704.13	14,516.89
Purchase of Traded Goods	27	37,567.83	22,502.40
Changes in inventories of Work In Progress, Finished Goods and Stock in Trade	28	(2,397.94)	(1,248.61)
Employee Benefit Expenses	29	6,487.55	4,490.03
Other Expenses	30	18,313.07	12,962.96
Finance Cost	31	2,400.89	2,388.38
Depreciation	13	2,302.72	2,534.84
Less: Transfer from Revaluation Reserve		(1.42)	(1.50)
		2,301.30	2,533.34
<b>TOTAL</b>		<b>88,376.83</b>	<b>58,145.39</b>
<b>Profit/(Loss) before Exceptional Items and Tax</b>		<b>(2,335.73)</b>	<b>(3,219.27)</b>
<b>Exceptional Items</b>	32	(3,322.77)	(448.03)
<b>Loss before Tax</b>		<b>(5,658.50)</b>	<b>(3,667.30)</b>
<b>Less : Tax Expense</b>			
Current Tax		974.83	384.00
MAT Credit Entitlement		(9.41)	(51.40)
Provision for tax relating to earlier years		48.55	(60.45)
<b>Net Current Tax</b>		<b>1,013.97</b>	<b>272.15</b>
Deferred Tax		(133.75)	1.52
<b>Profit/(Loss) after Tax</b>		<b>(6,538.72)</b>	<b>(3,940.97)</b>
Add: Share of Associates Profit/(Loss)		1,082.35	383.16
Add: Share of Minority Interest		1,182.51	861.86
Add : Adjustment on Acquisition of Subsidiaries		97.22	(55.97)
<b>Profit/(Loss) after Share of Associates and Minority Interest</b>		<b>(4,176.64)</b>	<b>(2,751.92)</b>
<b>Basic and Diluted Earnings per Share (Face Value ₹ 10/- each)</b>	40	<b>(0.28)</b>	<b>(0.36)</b>

See accompanying Notes to Accounts forming part of the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells**  
Chartered Accountants

**M.K. Ananthanarayanan**  
Partner

Place : Mumbai  
Date : 24<sup>th</sup> May, 2012

For and on behalf of the Board

**Kishore Biyani**  
Managing Director

**Manoj Gagvani**  
Company Secretary  
& Head - Legal

**G.N. Bajpai**  
Chairman

**Gopal Bihani**  
Vice President - Finance

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

Particulars	For the Year Ended March 31, 2012		For the Year Ended March 31, 2011	
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Loss before tax as per Statement of Profit and Loss		(5,658.50)		(3,667.30)
<b>Adjustments for :</b>				
Depreciation	2,301.31		2,533.35	
Interest & Financial Charges	2,400.89		2,407.41	
Interest Income	(3,908.96)		(868.51)	
Interest Income on Income Tax Refund	(5.95)		-	
Dividend Income	(652.37)		(46.15)	
Lease Rent Machinery Income	(38.95)		-	
(Profit)/Loss on Sale of Investments	(144.91)		(0.03)	
Loss on Sale of Fixed Assets & Asset Written Off (Net)	451.68		135.48	
Gain on Disposal of Subsidiary	-		(51.76)	
Provision for Doubtful Debts and Advances	87.16		96.46	
Provision for Gratuity	50.43		28.54	
Provision for Compensated Absences	5.29		16.97	
Provision for Standard Assets	49.96		16.74	
Preliminary Expenses written off	-		0.01	
Provision no longer required written back	(102.36)		(33.31)	
Inventory Reserve	2.82		-	
Proportionate Share of Joint Venture				
- Interest Income	(5.88)		(0.56)	
- Loss on Sale of Fixed Assets & Asset Written Off (Net)	10.81		-	
- Provision no longer required written back	(2.77)		-	
- Unrealised Loss on Foreign Exchange	118.16	<b>616.36</b>	4.02	<b>4,238.66</b>
<b>Operating Profit/(Loss) before Working Capital changes</b>		<b>(5,042.15)</b>		<b>571.34</b>
Decrease / (Increase) in Inventories	(2,302.07)		(1,189.51)	
Decrease / (Increase) in Trade Receivables	(586.14)		3,935.55	
(Increase) / Decrease in Loans & Advances	(26,909.66)		1,189.40	
Increase / (Decrease) in Current Liabilities and Provisions	(232.82)	<b>(30,030.69)</b>	4,096.22	<b>8,031.66</b>
<b>Operating Profit/(Loss) after Working Capital changes</b>		<b>(35,072.84)</b>		<b>8,603.00</b>
Income Taxes paid (Net of refunds)	(245.49)		(382.10)	
Dividend Income - Investment	652.34		46.15	
Interest Received - Investment	3,946.03	<b>4,352.88</b>	974.44	<b>638.49</b>
<b>Net Cash from / (used in) Operating Activities (A)</b>		<b>(30,719.96)</b>		<b>9,241.48</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Proceeds from sale of Fixed assets		15.80		19.94
Purchase of Fixed Assets		(2,100.56)		(16,556.68)
Proceeds from Sale of Investments		149,104.60		4,764.29
Purchase of Investments		(197,409.73)		(23,446.72)



Particulars	For the Year Ended March 31, 2012		For the Year Ended March 31, 2011	
	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs	₹ In Lakhs
Advance for Share Subscription paid		-		(10.00)
Investment in / (Refund of) deposits		(25.17)		11.73
Interest Received - Retail		323.31		27.68
Lease Rent on Machinery Received		38.95		-
Dividend Received - Retail		0.03		-
Dividends Received from - Associates		39.33		15.60
<b>Net Cash from / (used) in Investing Activities (B)</b>		<b>(50,013.44)</b>		<b>(35,174.16)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from Issue of Equity Shares		75,000.00		25,000.00
Repayment of Share Application Money by Subsidiary		(141.92)		(228.08)
Buy Back of Shares by a Subsidiary		(2,158.10)		-
Proceeds from Borrowings		58,240.17		9,512.96
Repayment of Borrowings		(47,550.09)		(7,397.74)
Proceeds from Minority Shareholders towards Equity Shares		0.03		375.00
Payment of Share Issue Expenses by Subsidiary		(13.29)		(23.85)
Dividend Paid (Including Dividend Tax) by a Subsidiary		(5.32)		-
Interest and Finance Charges Paid		(3,601.32)		(2,313.54)
<b>Net Cash from Financing Activities (C)</b>		<b>79,770.16</b>		<b>24,924.75</b>
<b>Net Decrease in Cash and Cash Equivalents (A+B+C)</b>		<b>(963.24)</b>		<b>(1,007.93)</b>
Cash and Cash Equivalents as at the beginning of the year		722.27		1,791.36
<b>Add:</b> Adjustment on acquisition of subsidiary and joint venture		2,769.26		56.70
<b>Add:</b> Adjustment on disposal of subsidiary		-		(117.86)
Cash and Cash Equivalents as at the end of the year		2,528.30		722.27
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>		<b>(963.24)</b>		<b>(1,007.93)</b>
<b>Reconciliation of cash and cash Equivalents with amounts reflected in Balance Sheet:</b>				
Cash and Cash Equivalents as above		2,528.30		722.27
<b>Add:</b> Bank deposits not considered as cash equivalent		11.08		7.41
<b>Cash and Cash Equivalents as per Balance sheet</b>		<b>2,539.38</b>		<b>729.68</b>

In terms of our report attached

For **Deloitte Haskins & Sells**  
Chartered Accountants

**M.K.Ananthanarayanan**  
Partner

Place : Mumbai  
Date : 24<sup>th</sup> May, 2012

For and on behalf of the Board

**Kishore Biyani**  
Managing Director

**Manoj Gagvani**  
Company Secretary  
& Head - Legal

**G.N.Bajpai**  
Chairman

**Gopal Bihani**  
Vice President - Finance



## NOTES TO ACCOUNTS

### 1. BASIS OF CONSOLIDATION

The consolidated financial statements relate to Future Ventures India Limited (the Company), its subsidiaries, joint ventures and associates.

#### A. Basis of Accounting

- a. The financial statements of the subsidiaries, joint ventures and associates considered in the consolidation have been drawn up to the same reporting date as of the Company i.e. year ended March 31, 2012 except in the case of Joint Venture, Clarks Future Footwear Limited and Celio Future Fashion Limited, (Joint Venture of subsidiary Indus League Clothing Limited) whose reporting date is January 31, 2012.
- b. The financial statements of the Group have been prepared under the historical cost convention on accrual basis and in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The said Financial Statements comply with the relevant provisions of the Companies Act, 1956 (the Act), the mandatory Accounting Standards notified by the Central Government of India under Companies (Accounting Standards) Rules, 2006 as amended, and guidelines issued by Reserve Bank of India for Non-Banking Financial (Non Deposit Accepting or Holding) Companies from time to time.

#### B. Principles of consolidation

The consolidated financial statements have been prepared on the following basis:

- a. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealised profits or losses have been fully eliminated.
- b. Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 - Financial Reporting of Interests in Joint Ventures.
- c. Investments in associate companies has been accounted as per the 'Equity method', as laid down in Accounting Standard 23 – Accounting for Investment in Associates in Consolidated Financial Statements and accordingly, the share of profit / loss of each of the associate companies has been added to / deducted from the cost of investments.
- d. The excess of cost to the Company, of its investment in the subsidiaries and joint ventures over the Company's portion of equity is recognised in the financial statement as Goodwill. The excess of the Company's portion of equity of the subsidiary and joint venture on the acquisition date over its cost of investment is treated as Capital Reserve.
- e. Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiaries and further movements in their share in the equity, subsequent to the dates of investments as stated above.
- f. Minority interest's share of net profit for the year in consolidated subsidiaries are identified and adjusted against the profit after tax of the group.
- g. In case of step up investment in existing subsidiaries, share of pre-acquisition profits/losses for the year relating to incremental investment is adjusted in the Statement of Profit and Loss as "Adjustment on Acquisition of Subsidiaries".
- h. The consolidated financial statements comprise the financial statements of Future Ventures India Limited and the following companies:-

Name of the Company	Relationship	Percentage held		Date on which relationship came into Existence	Date on which relationship ceased
		2011-12	2010-11		
Aadhaar Retailing Limited	Subsidiary	70.00%	70.00%	27.03.2008	NA
Indus Tree Crafts Pvt. Ltd. (Indus Tree)	Subsidiary	63.34%	52.53%	01.03.2010	NA
Indus Tree Producer Transformer Pvt. Ltd.	Subsidiary of Indus Tree	100%	NA	30.06.2011	NA



Name of the Company	Relationship	Percentage held		Date on which relationship came into Existence	Date on which relationship ceased
		2011-12	2010-11		
Indus League Clothing Limited (Indus League)	Subsidiary	95.29%	85.70%	30.01.2010	NA
Lee Cooper (India) Limited	Subsidiary of Indus League	100%	100%	30.01.2010	NA
Celio Future Fashion Limited	Joint Venture of Indus League	50.00%	50.00%	30.01.2010	NA
Turtle Limited	Associate of Indus League	26.00%	26.00%	30.01.2010	NA
Future Consumer Enterprises Limited	Subsidiary	100%	100%	02.08.2010	NA
Future Consumer Products Limited	Subsidiary	90%	90%	29.06.2010	NA
Amar Chitra Katha Pvt. Ltd. (ACK)	Subsidiary	68.12%	NA	30.06.2011	NA
India Books & Magazines Distributors Pvt. Ltd.	Subsidiary of ACK	100%	NA	30.06.2011	NA
ACK Edutainment Pvt. Ltd.	Subsidiary of ACK	100%	NA	30.06.2011	NA
ACK Eaglemoss Collectibles Publishing Pvt. Ltd.	Subsidiary of ACK	100%	NA	30.06.2011	NA
ACK Media Direct Pvt. Ltd.	Subsidiary of ACK	100%	NA	30.06.2011	NA
Karadi Tales Company Pvt. Ltd.	Subsidiary of ACK	51%	NA	30.06.2011	NA
Karadi Path Education Company Pvt. Ltd.	Subsidiary of ACK	51%	NA	30.06.2011	13.02.2012
Ideas Box Entertainment Pvt. Ltd.	Subsidiary of ACK	100%	NA	30.06.2011	NA
Karadi Path Education Company Pvt. Ltd.	Associate of ACK	28%	NA	14.02.2012	NA
Holii Accessories Pvt. Ltd.	Joint Venture	50.00%	50.00%	02.11.2009	NA
Clarks Future Footwear Limited	Joint venture	50.00%	NA	29.06.2011	NA
And Designs India Limited	Associate	22.86%	22.86%	21.10.2009	NA
Capital Food Exportts Pvt. Ltd.	Associate	43.76%	40.81%	15.02.2010	NA
BIBA Apparels Pvt. Ltd.	Associate	28.30%	17.31%*	14.03.2011	NA
Amar Chitra Katha Pvt. Ltd.	Associate	-	13.65%*	19.03.2011	30.06.2011

\* Associate in the Previous Year by virtue of significant influence exercised in the operating and financing decisions of investee companies by virtue of Shareholder Agreement entered into with the Company.

- i. Goodwill recognized in the financial statements with regard to subsidiaries and joint ventures is as follows:

(₹ In Lakhs)

Particulars	March 31, 2012	March 31, 2011
Aadhaar Retailing Limited	262.15	262.15
Indus League Clothing Limited (*)	30,598.55	28,735.51
Indus Tree Craft Pvt. Ltd. (*)	729.68	517.92
Future Consumer Enterprises Limited	22.17	22.17
Future Consumer Products Limited	2,055.97	2,055.97
Amar Chitra Katha Pvt. Ltd. (*)	4,807.78	-
Clarks Future Footwear Limited (*)	952.26	-
Holii Accessories Pvt. Ltd.	0.15	0.15
<b>TOTAL</b>	<b>39,428.71</b>	<b>31,593.87</b>

- j. Goodwill / (Capital Reserve) included in carrying amount of investments in Associates:

(₹ In Lakhs)

Particulars	March 31, 2012	March 31, 2011
And Designs India Limited	371.45	371.45
Capital Food Exportts Pvt. Ltd. (*)	5,948.88	3,386.24
Turtle Limited	834.62	834.62
BIBA Apparels Pvt. Ltd. (*)	2,044.64	336.89
Amar Chitra Katha Pvt. Ltd.	-	(552.63)
<b>TOTAL</b>	<b>9,199.59</b>	<b>4,376.57</b>

(\*) The goodwill relating to entities acquired during the year have been accounted based on the unaudited financial statements provided by the management of the respective entities as on the date of acquisition or a date near to the acquisition.

## 2. USE OF ESTIMATES

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses and disclosure of contingent liabilities as of the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from estimates and assumptions used in preparing these financial statements.

## 3. SIGNIFICANT ACCOUNTING POLICIES

### A. Fixed Assets

Fixed Assets are stated at cost less depreciation. Cost includes all direct expenses relating to the acquisition and installation of fixed assets. Borrowing Cost that are attributable to the acquisition or construction of a qualifying asset are capitalised as a part of cost of such asset till such time as the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of Profit and Loss.

### B. Depreciation

Depreciation is provided on Straight Line Method (SLM) at the rates and in the manner prescribed under Schedule XIV to the Companies Act, 1956 except the following:

- In the case of the parent company and its subsidiary Indus Tree Crafts Pvt Ltd and associates And Design India Limited and BIBA Apparels Private Limited, fixed assets are depreciated on Written Down Value Method (WDV). However, the proportion of such assets which are depreciated on WDV method is not significant.
- Computer software is depreciated over an estimated useful life of 4 to 6 years and Signage is depreciated over a useful period of 3 years.



- c. Leasehold improvements are amortized over the estimated useful life or the primary period of lease whichever is less.
- d. Intangibles in the nature of Goodwill, Trade Mark, and Other Intangibles are amortized over the estimated useful life of 10 to 15 years or as per the right of use given in the relevant agreement.
- e. In respect of a Subsidiary, it had acquired rights of various brands for a period of 25 years. Consideration paid for acquisition of these rights were amortized over a period of 10 years in the earlier years. During the year, the management of Subsidiary has estimated that the economic benefits of the said intangibles assets is expected to flow over the tenure of the license agreement and hence revised the period of amortization from 10 years to 25 years being the period of agreement of license rights. Consequent to this change in estimate, the unamortized amount of Brands as on April 1, 2011 will now be amortised equally over the remaining agreement period.
- f. Hard Furnishing assets which include computers, office equipments, air-conditioners and shop interiors are depreciated over the estimated useful life of the assets which ranges between 3 to 10 years depending on the nature of the assets and its usage.
- g. The difference between depreciation provided on revalued amount and on historical cost is transferred from Revaluation Reserve to Statement of Profit and Loss.
- h. Assets individually costing less than ₹ 5,000 are fully depreciated in the year of purchase.

### **C. Capital Grant**

Government grants and subsidies are recognized when there is reasonable assurance that the company will comply with the conditions attached to them and the grants / subsidies will be received.

When the grant or subsidy from the Government relates to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the period necessary to match them with the related costs, which they are intended to compensate.

When the grant or subsidy from the Government is in the nature of promoters' contribution, where no repayment is ordinarily expected in respect thereof, it is credited to Capital Reserve and treated as a part of Shareholders' funds on receipt basis.

### **D. Investments**

Investments maturing within twelve months from the date of investment and investments made with the specific intention to dispose of within twelve months from the date of investment are classified as current investments. Other investments are classified as long-term investments.

Investments which are long term in nature are stated at cost and provision for diminution is made if the decline in value is other than temporary in nature. If the Balance Sheet of the unlisted investee company is not available for two years, shares in such companies are valued at one Rupee only which is in accordance with the prudential norms prescribed by the Reserve Bank of India for Non- Banking Financial (Non Deposit Accepting or Holding) Companies.

Current investments are stated at lower of cost and fair value determined on the basis of each category of investments. For this purpose, the investments shall be categorized as equity, preference, debentures, etc. and considered scrip-wise and the cost and market value aggregated for all investments in each category.

In the case of the Company, which is governed by guidelines issued by the Reserve Bank of India for Non-Banking Financial (Non Deposit Accepting or Holding) Companies, the unquoted investments in the units of mutual funds held by the parent company in the nature of current investments are valued at the net asset value declared by the mutual fund in respect of each particular scheme as at the Balance Sheet date.

The reclassification of investments from long term to current investments would be effected with the approval of the Board of Directors.

### **E. Revenue Recognition.**

Profit / Loss on sale of investments - Realized gain or loss on investments which is the difference between the sale consideration and the carrying cost is recognized in the Statement of Profit and Loss on the date of sale. In determining the realized gain or loss on sale of a security, the cost of such security is arrived on First in First out basis.

The cost of investments acquired or purchased would include brokerage, stamp charges and any duties directly related to the acquisition of investment.

Transactions for purchase or sale of investments shall be recognized as of the trade date and not as of the settlement date, so that the effect of all investments traded during the financial year are recorded and reflected in the financial statements, for the year.

Where investment transactions take place outside the stock market, for example, acquisitions through private placement or purchases or sales through private treaty, the transaction would be recorded, in the event of a purchase, as of the date on which the Company obtains an enforceable obligation to pay the price or, in the event of sale, when the Company obtains an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the instruments sold.

Dividend income is recognized when the right to receive the same is established.

Interest income from financing activities is recognized at the rates implicit in the contract. Unrealized Interest income relating to Non-performing assets is derecognized.

Brand Royalty is recognised on accrual basis in accordance with the terms of the relevant agreement.

Fee for services rendered is recognized at the specific rates as per the terms of contract.

Advisory fee payable for advisory services is recognized at the specific rates and as per the terms agreed.

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer which normally coincides with delivery. Sales are net of returns, sales tax, rebates, discounts etc. Revenue by way of sale of shops-in-shop arrangements with other retailers is recognized on delivery of goods to such retailers which coincides with the transfer of significant risks and rewards of ownership in the goods as per the terms of the relevant contracts. Sales returns and provision for goods that are expected to be returned are made based on management estimation taking into account the past experience.

#### **F. Inventories**

Inventories are valued at lower of cost and net realizable value. Cost of inventory is determined on weighted average basis in respect of Trading Goods while in the case of others it is determined on First in First out basis. Finished Goods includes cost of purchase, cost of conversion and other overheads incurred in bringing the inventory to its present location and condition. Net realizable value is the estimated selling price in ordinary course of business, less estimated costs necessary to make the sales.

#### **G. Foreign Currency Transactions**

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of transaction. At the year-end, all monetary assets and liabilities denominated in foreign currency are restated at the year-end exchange rates.

Exchange differences arising on actual payment / realization and year end re-instatement referred to above are recognized in the Statement of Profit and Loss.

Any gain or loss on account of exchange differences either on settlement/restatement of foreign currency transactions are recognised in the Statement of Profit and Loss except in case of long term foreign currency monetary items, where they relate to acquisition of fixed assets, are capitalized as part of the depreciable fixed assets to which the monetary item relates and are depreciated over the remaining useful life of such items by exercising the option available vide Ministry of Corporate Affairs notification dated March 31, 2009 as amended.

#### **H. Leases**

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on straight line basis over the lease term.

Finance lease is capitalized at fair value of the asset or the present value of minimum lease payment at the inception of the lease, whichever is lower.

#### **I. Retirement Benefits**

##### **Defined Benefit Plan**

Gratuity liability determined on actuarial valuation performed in accordance with the projected unit credit method, as at the Balance Sheet date is provided for.

Actuarial gains and losses arising from the effects of changes in actuarial assumptions are recognized in the Statement of Profit and Loss in the year in which they are incurred.

##### **Defined Contribution Plan**

Fixed contributions to Provident Fund and Employees State Insurance are recognized in the accounts on actual cost to the Company.



### Compensated Absences

Liability for short term compensated absences is recognized as expense based on the estimated cost of eligible leave to the credit of the employees as at the Balance Sheet date on undiscounted basis. Liability for long term compensated absences determined on the basis of actuarial valuation as on the Balance Sheet date is provided for.

### J. Taxation

Current tax is determined on the income for the year chargeable to tax in accordance with the applicable provisions of the Income tax Act, 1961.

Deferred tax resulting from “timing differences” between taxable and accounting income is accounted for using the tax rates and tax laws that are enacted or substantially enacted as on the Balance Sheet date. When the Company has unabsorbed depreciation and business losses under tax laws, the deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

### K. Segmental reporting

The Accounting policies adopted for segmental reporting are in line with the Accounting policies of the Company.

- a. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under unallocated corporate expenses.
- b. Inter segment prices are normally negotiated amongst the segments with reference to cost, market prices and business risks, within an overall optimization objective for the enterprise.

### L. Impairment of assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which the asset is impaired and the impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

### M. Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

### N. Deferred Compensation Cost

In respect of stock options, granted pursuant to the Company’s Employee Stock Option Scheme 2011, the Company determines the compensated cost based on the intrinsic value method and the compensation cost is amortised on a straight line basis over the vesting period.

## 4. SHARE CAPITAL

- a) The authorised, issued, subscribed and fully paid-up share capital comprises of equity shares

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
<b>Authorised</b>		
5,000,000,000(Previous year - 5,000,000,000) Equity Shares of ₹ 10/- each	500,000.00	500,000.00
	500,000.00	500,000.00
<b>Issued, Subscribed and Fully Paid-up Capital</b>		
1,576,243,700 (Previous year - 826,243,700) Equity Shares of ₹ 10/- each	157,624.37	82,624.37
<b>TOTAL</b>	<b>157,624.37</b>	<b>82,624.37</b>

b) The authorised, issued, subscribed and fully paid up capital comprises of equity shares of ₹ 10/- each as under :-

Particulars	As at March 31, 2012		As at March 31, 2011	
	No. of Shares	₹ In Lakhs	No. of Shares	₹ In Lakhs
No. of equity shares at the beginning of the year	826,243,700	82,624.37	576,243,700	57,624.37
No. of equity shares issued during the year (Refer Note (i) and (ii))	750,000,000	75,000.00	250,000,000	25,000.00
No. of equity shares at the end of the year	1,576,243,700	157,624.37	826,243,700	82,624.37

**Notes:**

- Pursuant to the Initial Public Offer made during the month of April 2011, the Company issued 750,000,000 Shares of ₹ 10 each at a price of ₹ 10 each raising ₹ 75,000 Lakhs. The shares of the Company were listed on National Stock Exchange of India Limited and Bombay Stock Exchange Limited on May 10, 2011.
  - During the previous year, the Company had issued 250,000,000 Equity shares at par value of ₹ 10/- each to promoter companies on preferential basis.
- c) Details of Shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2012		As at March 31, 2011	
	No. of shares	% of Holding	No. of shares	% of Holding
Pantaloons Retail India Limited	150,000,000	9.52	150,000,000	18.15
Gargi Developers Pvt. Ltd.	126,251,081	8.01	-	-
PIL Industries Limited	122,000,000	7.74	122,000,000	14.77
Bennett, Coleman and Company Limited	100,000,000	6.34	100,000,000	12.10
Central Departmental Stores Pvt. Ltd.	95,838,700	6.08	-	-
Future Capital Investment Pvt. Ltd.	-	-	101,800,000	12.32
Future Corporate Resource Limited	-	-	68,045,000	8.24

d) Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. During the year ended March 31, 2012 and March 31, 2011, the Company has not declared any dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholders.

## 5. RESERVES AND SURPLUS

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
<b>Capital Redemption Reserve</b>		
Opening Balance	5.20	5.20
<b>Add:</b> Transfer from Securities Premium <sup>#</sup>	0.70	-
<b>Less:</b> Adjustments on Consolidation	(0.70)	-
	<b>5.20</b>	<b>5.20</b>
<b>Revaluation Reserve</b>		
Opening Balance	24.92	25.71
<b>Less:</b> Transfer to Statement of Profit and Loss	(1.42)	(1.50)
<b>Add:</b> Adjustments on Consolidation	0.62	0.71
	<b>24.12</b>	<b>24.92</b>





Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
<b>Statutory Reserve*</b>	<b>338.58</b>	<b>338.58</b>
<b>Securities Premium in Subsidiary</b>		
Opening Balance	-	-
<b>Add:</b> Securities Premium received on issue of Equity Shares	101.21	-
<b>Less:</b> Transfer to Capital Redemption Reserve#	(0.70)	-
<b>Less:</b> Share Issue Expenses of Subsidiary	(7.42)	-
	<b>93.09</b>	<b>-</b>
<b>General Reserve</b>	<b>0.59</b>	<b>0.59</b>
<b>Capital Reserve</b>		
Opening Balance	-	-
<b>Add:</b> Share of Capital Reserve in an Associate	129.75	-
	<b>129.75</b>	<b>-</b>
<b>Surplus/(Deficit)</b>		
Opening Balance	<b>(10,305.47)</b>	<b>(7,548.04)</b>
<b>Add:</b> Current Year Loss	(4,176.64)	(2,751.92)
<b>Add :</b> Adjustment on Conversion into Subsidiaries	22.82	-
<b>Less:</b> Tax on Proposed dividend relating to Subsidiary	(2.66)	(5.51)
	<b>(14,461.95)</b>	<b>(10,305.47)</b>
<b>TOTAL</b>	<b>(13,870.62)</b>	<b>(9,936.18)</b>

\* Represents the reserve created in accordance with the provisions of Section 45IC of the Reserve Bank of India Act, 1934.

# Pursuant to buy back of Shares by a Subsidiary.

## 6. LONG TERM BORROWINGS

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
<b>SECURED LOANS</b>		
Term Loan from Banks	1,115.83	991.17
Term Loan from Others	5.66	1.22
Finance Lease Obligations	1.10	-
Proportionate Share in Joint Ventures	434.38	212.50
	<b>1,556.97</b>	<b>1,204.89</b>
<b>UNSECURED LOANS</b>		
8% Optionally Convertible Debentures	310.00	-
	<b>310.00</b>	<b>-</b>
<b>TOTAL</b>	<b>1,866.97</b>	<b>1,204.89</b>



## 7. OTHER LONG TERM LIABILITIES

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
<b>Trade Payables</b>		
- Due to Micro Enterprises and Small Enterprises*	-	-
- Dues - Others	191.18	-
	<b>191.18</b>	-
<b>Other Liabilities</b>		
Security Deposits	11.75	-
Others	41.48	0.36
	<b>53.23</b>	<b>0.36</b>
<b>TOTAL</b>	<b>244.41</b>	<b>0.36</b>

\* As identified by the management and relied upon by the auditors.

## 8. LONG TERM PROVISIONS

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
Provision for Gratuity	111.94	97.00
Proportionate Share in Joint Ventures	6.31	2.31
<b>TOTAL</b>	<b>118.25</b>	<b>99.31</b>

## 9. SHORT TERM BORROWINGS

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
<b>SECURED LOANS – Loans Payable on Demand</b>		
Working Capital Loan from Banks	14,639.02	13,459.40
Cash Credit from Banks	408.40	296.22
Proportionate Share in Joint Ventures	525.00	300.00
	<b>15,572.42</b>	<b>14,055.62</b>
<b>UNSECURED LOANS</b>		
Inter Corporate Deposits from others	-	500.00
Cash Credits – Payable on Demand	0.09	-
Other Loans	18.78	2,127.19
Proportionate Share in Joint Ventures*	1,000.00	-
	<b>1,018.87</b>	<b>2,627.19</b>
<b>TOTAL</b>	<b>16,591.29</b>	<b>16,682.81</b>

\* Loans from Related Parties



## 10. TRADE PAYABLES

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
Acceptances	809.12	992.09
Trade Payables		
- Due to Micro Enterprises and Small Enterprises*	-	-
- Dues – Others	9,100.05	8,688.27
Proportionate Share in Joint Ventures	3,159.52	1,080.60
<b>TOTAL</b>	<b>13,068.69</b>	<b>10,760.96</b>

\* As identified by the management and relied upon by the auditors.

## 11. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
Advance from Customers	144.28	13.39
Current Maturities of Long Term Debt	478.20	717.74
Current Maturities of Finance lease obligation	0.54	10.83
Security Deposits	98.62	21.08
Interest accrued but not due	5.38	805.89
Statutory Dues	365.19	331.25
Creditors for Capital Goods	45.36	119.37
Advance against Gift Vouchers	20.81	221.80
Stale Cheque	59.05	52.99
Provision for expenses	1,196.43	1,968.40
Other Liabilities	13.22	141.30
Proportionate Share in Joint Ventures	636.69	88.40
<b>TOTAL</b>	<b>3,063.77</b>	<b>4,492.44</b>

## 12. SHORT TERM PROVISIONS

Particulars	As at March 31st 2012 ₹ In Lakhs	As at March 31st 2011 ₹ In Lakhs
<b>Employees Benefits</b>		
Provision for Compensated Absences	131.55	70.08
Provision for Gratuity	9.81	7.40
Bonus, Incentives and others	88.00	94.03
<b>Others</b>		
Provision for Dividend Tax relating to Subsidiary	2.66	2.72
Provision for Standard Assets	66.70	16.74
Proportionate Share in Joint Ventures	310.67	161.25
<b>TOTAL</b>	<b>609.39</b>	<b>352.22</b>

**13. FIXED ASSETS**

(₹ In Lakhs)

Description of Assets	Gross Block					Depreciation					Net Block	
	As at April 1, 2011	Additions on Acquisition	Other Additions	Deletions	As at March 31, 2012	As at April 1, 2011	Additions on Acquisition	For the Period	Deletions	As at March 31, 2012	As at March 31, 2012	As at March 31, 2011
<b>TANGIBLE ASSETS</b>												
Land	600.08	-	-	-	600.08	-	-	-	-	-	600.08	600.08
Building	643.55	-	-	-	643.55	65.94	-	11.80	-	77.74	565.81	577.61
Office Equipments	491.26	39.77	45.19	91.30	484.92	86.04	6.65	31.87	17.51	107.05	377.87	405.22
Computers	815.77	150.09	76.81	68.28	974.39	555.36	70.35	110.87	50.95	685.63	288.76	260.41
Furniture & Fixtures	1,610.61	107.05	290.60	131.43	1,876.83	288.42	51.81	139.48	35.69	444.02	1,432.81	1,322.19
Vehicles	7.21	27.97	11.69	11.78	35.09	5.61	7.32	1.33	2.32	11.94	23.15	1.60
Plant & Machinery	455.80	2.27	30.09	1.59	486.57	121.92	0.35	23.95	0.70	145.52	341.05	333.88
Leasehold improvement	756.73	7.70	20.68	209.33	575.78	182.02	3.63	57.13	57.49	185.29	390.49	574.71
Electrical Fittings	0.56	-	12.76	-	13.32	0.10	-	0.38	-	0.48	12.84	0.46
Signage	185.92	-	17.90	8.95	194.87	160.81	-	29.47	8.95	181.33	13.54	25.11
UPS	3.79	-	0.70	-	4.49	1.40	-	0.42	-	1.82	2.67	2.39
Shop Interior	4,090.53	-	340.93	239.23	4,192.23	1,449.74	-	438.89	133.84	1,754.79	2,437.44	2,640.79
Proportionate Share in Joint Ventures	623.72	78.06	75.50	18.55	1,440.73	119.83	2.48	164.61	7.68	279.24	1,161.49	503.89
<b>Total</b>	<b>10,285.53</b>	<b>412.91</b>	<b>1,604.85</b>	<b>780.44</b>	<b>11,522.85</b>	<b>3,037.19</b>	<b>142.59</b>	<b>1,010.20</b>	<b>315.13</b>	<b>3,874.85</b>	<b>7,648.00</b>	<b>7,248.34</b>
Previous Year	9,067.20	227.56	1,299.12	308.35	10,285.53	2,296.35	1.47	879.93	140.56	3,037.19	7,248.34	6,770.85
<b>INTANGIBLE ASSETS</b>												
TradeMark & Brand	16,138.70	2,078.62	152.36	174.98	18,194.70	1,467.40	433.78	837.45	36.95	2,701.68	15,493.02	14,671.30
Software	315.42	117.23	11.16	35.39	408.42	182.45	31.37	88.11	29.25	272.68	135.74	132.97
Goodwill	3,662.03	-	-	-	3,662.03	1,129.13	-	366.20	-	1,495.33	2,166.70	2,532.90
Proportionate Share in Joint Ventures	4.47	-	1.05	-	5.52	1.14	-	0.76	-	1.90	3.62	3.33
<b>Total</b>	<b>20,120.62</b>	<b>2,195.85</b>	<b>164.57</b>	<b>210.37</b>	<b>22,270.67</b>	<b>2,780.12</b>	<b>465.15</b>	<b>1,292.52</b>	<b>66.20</b>	<b>4,471.59</b>	<b>17,799.08</b>	<b>17,340.50</b>
Previous Year	4,981.10	-	15,139.52	-	20,120.62	1,125.21	-	1,654.91	-	2,780.12	17,340.50	3,855.89
<b>GRAND TOTAL</b>	<b>30,406.15</b>	<b>2,608.76</b>	<b>1,769.42</b>	<b>990.81</b>	<b>33,793.52</b>	<b>5,817.31</b>	<b>607.74</b>	<b>2,302.72</b>	<b>381.33</b>	<b>8,346.44</b>	<b>25,447.08</b>	<b>24,588.84</b>
Previous year	14,048.30	227.56	16,438.64	308.35	30,406.15	3,421.56	1.47	2,534.84	140.56	5,817.31	24,588.84	10,626.74



#### 14. NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
a) Investment in Associates - Trade - Unquoted		
i) In Equity Shares		
Cost of Investment	14,175.46	9,815.41
(Includes ₹ 9,199.59 lakhs (Previous year - ₹ 4,376.57 lakhs) representing Goodwill (net of Capital Reserve). Refer Note 1.A.j)		
Add: Accumulated Share of Profit/(Loss) of Associates	1,569.03	486.68
Add: Adjustment on Conversion of Associate into Subsidiary	22.82	-
Add: Share of Revenue Reserves – Capital Reserve	129.75	-
Less: Dividend Received	(54.93)	(15.60)
ii) In Debentures		
0% Optional Convertible Debentures	2,500.00	-
	18,342.13	10,286.49
b) Investments in Others –Non Trade		
(i) Unquoted		
Equity Shares - Others	1,503.56	1,503.56
c) Other Investments – Non Trade		
(i) Quoted		
Equity Shares - Others	0.06	0.06
(Market Value - ₹ 0.24 lakh (Previous Year - ₹ 0.35 lakh)		
(ii) Unquoted		
National Savings Certificate (Lodged with Sales Tax Authorities)	1.11	1.11
<b>TOTAL</b>	<b>19,846.86</b>	<b>11,791.22</b>

#### 15. DEFERRED TAX

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
Depreciation	(1,560.43)	(496.09)
Provision for Compensated Absences &Gratuity	66.21	9.61
Business Loss and Unabsorbed Depreciation	1,549.84	465.81
Others	88.89	31.43
<b>TOTAL</b>	<b>144.51</b>	<b>10.76</b>

## 16. LONG TERM LOANS AND ADVANCES

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
<b>a) Secured - Considered Good</b>		
(i) Security Deposits	12.19	4.61
	12.19	4.61
<b>b) Unsecured - Considered Good</b>		
(i) Advances towards Purchase of Shares	-	10.00
(ii) Loans and advances to Related Parties	1,374.18	-
(iii) MAT Credit entitlement	60.81	51.40
(iv) Prepaid Taxes	471.95	503.78
(v) Security Deposits	1,863.54	1,675.59
(vi) Capital Advances	416.01	138.33
(vii) Other Loans and Advances	111.27	23.79
	<b>4,297.76</b>	<b>2,402.89</b>
<b>c) Doubtful</b>		
(i) Security Deposits : Considered Doubtful	91.18	73.73
<b>Less:</b> Provision for Doubtful Deposits	(91.18)	(73.73)
	-	-
Proportionate Share in Joint Ventures	502.39	232.34
<b>TOTAL</b>	<b>4,812.34</b>	<b>2,639.84</b>

## 17. OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
Balance with Banks in Deposit Account (Fixed Deposit of ₹ 22 lakhs (Previous Year ₹ Nil) lodged with Bank for issue of Guarantee in favour of Customers)	22.00	-
Proportionate Share in Joint Ventures	3.00	2.55
<b>TOTAL</b>	<b>25.00</b>	<b>2.55</b>

## 18. CURRENT INVESTMENTS

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
<b>Investments - Non – Trade</b>		
12% Optionally Convertible Debentures	2,500.00	-
Units of Mutual Funds	7,223.76	384.96
Certificate of Deposits	20,000.00	-
<b>TOTAL</b>	<b>29,723.76</b>	<b>384.96</b>



## 19. INVENTORIES (Lower of Cost or Net Realisable Value)

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
Raw Materials	577.52	640.07
Work-in-Progress	1,181.91	1,938.32
Finished Goods	7,588.93	5,713.09
Finished Goods in Transit	245.97	246.40
Traded Goods	3,945.70	2,865.46
Proportionate Share in Joint Ventures	2,311.81	726.93
<b>TOTAL</b>	<b>15,851.84</b>	<b>12,130.27</b>

## 20. TRADE RECEIVABLES

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
<b>Unsecured</b>		
Outstanding for a period exceeding six months		
Considered Good	1,715.24	922.67
Considered Doubtful	19.75	76.16
<b>Less: Provision for Doubtful Debts</b>	<b>(19.75)</b>	<b>(76.16)</b>
	<b>1,715.24</b>	<b>922.67</b>
Others	17,684.01	16,971.63
Proportionate Share in Joint Ventures	1,500.90	784.08
<b>TOTAL</b>	<b>20,900.15</b>	<b>18,678.38</b>

## 21. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
Cash and Cheques on Hand	47.23	31.92
Balance with Scheduled Bank		
- In Current Account	839.78	238.13
- In Fixed Deposit Accounts (Out of the Fixed Deposit of ₹ 6.04 lakhs (Previous Year ₹ Nil)) lodged with Bank for issue of Guarantee in favour of Customers)	371.49	387.27
Proportionate Share in Joint Ventures	1,280.88	72.36
<b>TOTAL</b>	<b>2,539.38</b>	<b>729.68</b>

## 22. SHORT TERM LOANS AND ADVANCES

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
a) <b>Secured - Considered Good</b>		
(i) Loans & Advances to Related Parties	-	1,925.00
b) <b>Unsecured - Considered Good</b>		
(i) Loans and advances to employee	38.43	27.36
(ii) Loans and advances to Related Parties	20,655.12	3,368.41
(iii) MAT Credit entitlement	-	7.12
(iv) Advances to Creditors	756.72	907.49
(v) Security Deposits	505.07	181.39
(vi) Balances with Government authorities	147.68	85.33
(vii) Other Loans and Advances	882.68	362.35
	<b>22,985.70</b>	<b>4,939.45</b>
c) <b>Doubtful</b>		
(i) Advances to Creditors	100.00	-
<b>Less:</b> Provision for doubtful Advances	(100.00)	-
	-	-
Proportionate Share in Joint Ventures	151.89	50.97
<b>TOTAL</b>	<b>23,137.59</b>	<b>6,915.42</b>

## 23. OTHER CURRENT ASSETS

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
Interest Accrued on Deposits	570.82	37.20
Insurance Claims Receivable	100.29	-
Proportionate Share in Joint Ventures	0.30	0.08
<b>TOTAL</b>	<b>671.41</b>	<b>37.28</b>

## 24. REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
Sale of Products	76,519.28	51,457.99
Add: Proportionate Share in Joint Ventures	3,924.19	1,814.59
	<b>80,443.47</b>	<b>53,272.58</b>
Gain on Sale of Investment *	21.97	0.03
Interest Income:		
- On Bank Deposits/other Deposit	1,962.16	20.97
- Others	1,946.80	847.53
Dividend Income	652.37	46.17
Profit/(loss) on Sale of Long Term securities (Net)	122.94	-
Royalty Income	175.00	131.25
Other Operating Income	43.41	100.75
Cash Discount Received	449.85	296.06
Proportionate Share in Joint Ventures	7.46	0.56
<b>TOTAL</b>	<b>85,825.43</b>	<b>54,715.90</b>

\*Include ₹ 2.10 lakhs (Previous Year ₹ 0.03 lakhs) being increase in carrying value based on the net asset value declared by Mutual Funds.



## 25. OTHER INCOME

Particulars	For the year ended March 31, 2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
Lease Rental Income	38.95	38.63
Interest on Income tax Refund	5.95	-
Provision No Longer Required Written Back	102.36	34.55
Gain on Foreign Exchange (Net)	-	0.23
Miscellaneous Income	63.94	84.72
Gain on Disposal of Subsidiary	-	51.76
Proportionate Share in Joint Ventures	4.47	0.33
<b>TOTAL</b>	<b>215.67</b>	<b>210.22</b>

## 26. COST OF MATERIALS CONSUMED

Particulars	For the year ended March 31, 2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
Opening Stock of Raw Materials	640.07	526.49
Add: Adjustment on acquisition of subsidiary	25.73	-
Add: Purchases	23,615.85	14,630.47
Closing Stock of Raw Materials	(577.52)	(640.07)
<b>TOTAL</b>	<b>23,704.13</b>	<b>14,516.89</b>

## 27. PURCHASE OF TRADED GOODS

Particulars	For the year ended March 31, 2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
Purchases	33,523.55	20,869.99
Less :- Loss of Stock on Fire	(96.04)	-
Proportionate Share in Joint Ventures	4,140.32	1,632.41
<b>TOTAL</b>	<b>37,567.83</b>	<b>22,502.40</b>

## 28. CHANGES IN INVENTORIES OF WORK IN PROGRESS, FINISHED GOODS AND STOCK IN TRADE

Particulars	For the year ended March 31, 2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
Opening Stock of Work In Progress	1,938.32	1,053.33
Closing Stock of Work In Progress	(1,181.91)	(1,938.32)
	<b>756.41</b>	<b>(884.99)</b>
Opening Stock of Finished Goods	5,959.49	5,717.70
Add: Adjustment on acquisition of subsidiary	212.55	-
Closing Stock of Finished Goods	(7,834.90)	(5,959.49)
	<b>(1,662.86)</b>	<b>(241.79)</b>
Opening Stock of Stock-in-trade	2,865.46	3,269.93
Add: Adjustment on acquisition of subsidiary	804.55	-
Closing Stock of Stock-in-trade	(3,945.70)	(2,865.46)
	<b>(275.69)</b>	<b>404.47</b>
Proportionate Share of Joint Ventures	(1,215.80)	(526.30)
<b>TOTAL</b>	<b>(2,397.94)</b>	<b>(1,248.61)</b>



## 29. EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended March 31, 2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
Salaries Wages & Bonus	5,374.13	3,753.75
Contribution to Provident and Other Funds	307.09	208.08
Staff Welfare Expenses	185.13	190.20
Proportionate Share in Joint Ventures	621.20	338.00
<b>TOTAL</b>	<b>6,487.55</b>	<b>4,490.03</b>

## 30. OTHER EXPENSES

Particulars	For the year ended March 31, 2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
Rent	2,704.54	2,136.66
Consumables & Packing Materials	199.84	-
Warehousing Charges	744.97	445.02
Manufacturing Expenses	1,862.70	3,139.28
Other purchase of materials	43.74	-
Power, Water & Fuel	403.12	338.50
Freight & Octroi	453.83	458.70
Advertisement, Publicity & Selling Expenses	3,008.75	2,045.94
Commission and Brokerage	226.44	235.69
Cash Discount	277.02	149.22
Repairs & Maintenance	541.14	367.63
Travelling Expenses	349.20	249.35
Postage, Telephone & Stationery	172.45	115.70
Legal and Professional Charges	678.04	231.89
Advisory & Mentoring Fees	1,500.00	132.36
Rates & Taxes	116.53	123.98
Insurance	61.78	68.07
Audit Fees (Refer Note 33)	90.74	45.99
Directors Sitting Fees	11.15	8.00
Loss on Sale/Retirement of Fixed Assets	451.68	135.48
Security & Housekeeping Expenses	67.71	56.79
Loss on Exchange Fluctuation	97.22	-
Brand Royalty	1,525.42	1,122.01
Bad Debts and Advances Written Off	57.25	155.78
Less: Adjusted against provisions	-	(103.03)
	<u>57.25</u>	<u>52.75</u>
Provision for Doubtful Debts & Advances	87.16	96.46
	<u>144.41</u>	<u>149.21</u>
Provision for Standard Assets	49.96	16.74
Miscellaneous Expenses	475.35	425.61
Proportionate Share in Joint Ventures	2,055.34	765.14
<b>TOTAL</b>	<b>18,313.07</b>	<b>12,962.96</b>



### 31. FINANCE COSTS

Particulars	For the year ended March 31, 2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
Interest on		
- Working Capital Loans	1,616.82	1,241.04
- Fixed Loans	176.95	445.12
- Term Loans	30.52	153.52
- Others	258.94	316.76
Bank Charges	205.66	204.72
Lease Charges	0.55	2.16
Proportionate Share in Joint Ventures	111.45	25.06
<b>TOTAL</b>	<b>2,400.89</b>	<b>2,388.38</b>

### 32. EXCEPTIONAL ITEMS

Particulars	For the year ended March 31, 2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
IPO Expenses (Refer Note (i))	3,100.30	448.03
Service Tax on Rent (Refer Note (ii))	222.47	-
<b>TOTAL</b>	<b>3,322.77</b>	<b>448.03</b>

#### Notes

- During the year, the Company has allotted 750,000,000 Shares at par value of ₹ 10 per equity share. The IPO expenses incurred during the year aggregating to ₹ 3,100.30 Lakhs (Previous Year ₹ 448.03 Lakhs) have been absorbed in the Statement of Profit and Loss.
- During the year, the subsidiary company Indus League Clothing Limited has made provision for rent payable on account of unpaid service tax on renting of immovable property payable to the lessors amounting to ₹ 222.47 Lakhs. This is as a result of an interim order passed by the Hon'ble Supreme Court in the case of M/s. Retailers Association of India vs. Union of India & Others.

### 33. DETAILS OF AUDIT FEES

Particulars	For the year ended March 31, 2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
Statutory Audit	43.71	29.03
Taxation Matters	12.33	6.74
Other Services	24.92	6.53
Reimbursement of Expenses	9.78	3.69
<b>TOTAL</b>	<b>90.74</b>	<b>45.99</b>

### 34. CAPITAL COMMITMENTS

A. The estimated value of contracts remaining to be executed on Capital Account to the extent not provided:-

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
Subsidiary	12.18	130.48
Joint Ventures	43.62	72.23
Associates	30.92	450.11
<b>TOTAL</b>	<b>86.72</b>	<b>652.82</b>

B. Share Purchase Obligation towards investment in Group Company (net of advances) is ₹ NIL (Previous Year – ₹ 2,188.08 lakhs)

### 35. EMPLOYEES STOCK OPTION PLAN

The Board at its meeting held on July 12, 2010, approved issue of Stock Options up to a maximum of 1 % of the paid up Equity Share Capital of the Company (before Rights Issue) aggregating to 50,000,000 Equity Shares in a manner provided in the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 subject to the approval of the shareholders under Section 81 (1A) of the Companies Act, 1956. The Shareholders of the Company at the Annual General Meeting held on August 10, 2010 approved the aforesaid issue of 50,000,000 Equity Shares of the Company under one or more Employee Stock Option Scheme(s). Post listing of the Company, the shareholders have ratified the Pre-IPO scheme. The Compensation and Nomination Committee has approved the following grants to certain directors and employees of the Company and some of its Business Ventures in accordance with the FVIL Employees Stock Option Plan 2011 (ESOP Scheme):

Particulars	Grant I	Grant II
Date of Grant	27 <sup>th</sup> March 2011	14th Feb 2012
Exercise Price	₹ 10 per option	The Exercise Price in respect of Options granted shall be determined by the committee and shall not be less than the face value of one equity share of the Company (₹10 per Share)
Vesting Commences on	27 <sup>th</sup> March 2012	14th Feb 2013
Options outstanding at the beginning of the year		
- Vested	Nil	Nil
- Yet to Vest	13,280,000	Nil
Options Vested	3,909,000	Nil
Options Granted	Nil	2,055,000
Options Exercised	Nil	Nil
Options Forfeited/Lapsed	250,000	Nil
Options outstanding at the end of the year		
- Vested	3,909,000	Nil
- Yet to Vest	9,121,000	2,055,000

#### Deferred Stock Compensation Expense

As the exercise price has been fixed at fair value as on date of grant, there is no compensation cost which needs to be amortized over the vesting period of the stock option.

#### Fair Value Methodology

The fair value of Options used to compute proforma net profit and earnings per Equity Share have been estimated on the date of the grant using Black-Scholes model by an independent consultant.

The key assumptions used in the Black-Scholes model for calculating the fair value as on the date of the grants are:

Particulars	Grant I	Grant II
Vesting Date	Options vest over a period of 3 years in the ratio of 30%,30%,40%	Options vest over a period of 3 years in the ratio of 30%,30%,40%
Risk-Free Interest Rate (Average)	7.79%	8.27%
Expected Life (Years)	2.50 years	2.50 years
Expected volatility of Share Price (%)	Since the company is unlisted, zero volatility has been considered	29.07%
Dividend Yield (%)	The company has not declared dividend, hence dividend has not been considered	The company has not declared dividend, hence dividend has not been considered
Price of the underlying share at the time of option	₹ 10 each	₹ 8.75 each
Fair Value of the Option	₹ 2.36 each	₹ 3.22 each



Had compensation cost for the Stock Options granted under the Scheme been determined based on fair value approach, the company's net profit and earnings per share would have been as per the pro forma amounts indicated below:

**Impact on Net Profit**

Particulars	₹ In Lakhs
Net Loss (As reported)	(4,176.64)
Add: Stock based employee compensation expense included in net profit	Nil
Less: Stock based compensation expense determined under fair value based method (Proforma)	(186.04)
Net Loss (Proforma)	(4,362.68)

**Impact on Earnings Per Share**

Particulars	₹ per share
Basic Earnings per Share of ₹ 10 each (As reported)	(0.28)
Basic Earnings per Share of ₹ 10 each (Proforma)	(0.29)
Diluted Earnings per Share of ₹ 10 each (As reported)	(0.28)
Diluted Earnings per Share of ₹ 10 each (Proforma)	(0.29)

36. The Group has a defined benefit gratuity plan and the details of actuarial valuation as on March 31, 2012 are given below:

Particulars	For the year ended March 31, 2012 ₹ In Lakhs	For the year ended March 31, 2011 ₹ In Lakhs
<b>Net Employee benefit expenses (recognized in Employee cost)</b>		
Current Service Cost	70.23	38.11
Interest cost on benefit obligation	12.80	5.13
Benefits Settled	(9.59)	-
Expected Return on plan assets	(1.46)	-
Net actuarial (Gain)/Loss recognized in the period	(25.71)	7.06
<b>Net benefit expenses</b>	<b>46.27</b>	<b>50.30</b>
<b>Amounts recognized in Balance Sheet</b>		
Defined benefit obligation	194.69	106.97
Fair Value of Plan assets	(21.82)	-
Unrecognized past service Cost Non Vested benefit	(0.06)	-
<b>Unrecognized(Asset)/ Liability *</b>	<b>172.81</b>	<b>106.97</b>
<b>Change in the present value of the defined benefit obligation are as follows</b>		
Obligation at period beginning	146.96	70.89
Current service cost	70.23	38.11
Interest on defined Obligation	12.80	5.13
Benefits paid	(9.59)	(14.22)
Actuarial (Gain)/ Losses on obligation	(25.71)	7.06
Closing defined benefit obligation	-	-
<b>Obligation at period end *</b>	<b>194.69</b>	<b>106.97</b>
Discount Rate ( % )	7%-8.65%	7%-8.10%
Salary escalation rate	5%-10%	5%-8%

\*Includes Proportionate share of Joint Venture ₹ 6.74 Lakhs (Previous year – ₹ 2.56 Lakhs)

The estimates of future salary increase take into account inflation, seniority, promotion and other relevant factors. The disclosure requirement with regard to composition of Investments in the Fair Value of Plan assets has not been furnished, since the liability is not funded. Disclosure relating to experience adjustments had not been provided in the absence of relevant information.

### 37. SEGMENTAL REPORTING

#### a) Business Segments

The business segment has been considered as a primary segment for disclosure. The products included in each of the business segments are as follows:

Consumer Products – Branding, Selling & Distribution

Investment – Acquisition and holding of Investments

The above segments have been identified taking into account the nature of business, reporting system, organization structure and different risks and returns.

#### Business Segments

(₹ In Lakhs)

	Particulars	Consumer Products (Branding, Selling & Distribution)		Investment		Eliminations		Total	
		March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
<b>A</b>	<b>SEGMENT REVENUE</b>								
1	External Revenue	81,772.90	53,986.67	4,268.20	939.45	-	-	86,041.10	54,926.12
2	Inter-Segment Revenue	226.64	200.61	1,239.79	174.00	(1,466.43)	(374.61)	-	-
	<b>TOTAL SEGMENT REVENUE</b>	<b>81,999.54</b>	<b>54,187.28</b>	<b>5,507.99</b>	<b>1,113.45</b>	<b>(1,466.43)</b>	<b>(374.61)</b>	<b>86,041.10</b>	<b>54,926.12</b>
<b>B</b>	<b>RESULTS</b>								
3	Segment Results	(931.29)	(811.49)	996.44	(19.40)	-	-	65.15	(830.89)
	Inter-Segment Revenue	4.72	-	1,235.08	174.00	(1,239.79)	(174.00)	-	-
	<b>TOTAL SEGMENT RESULTS</b>	<b>(926.57)</b>	<b>(811.49)</b>	<b>2,231.52</b>	<b>154.60</b>	<b>(1,239.79)</b>	<b>(174.00)</b>	<b>65.15</b>	<b>(830.89)</b>
4	Interest and Finance Charges					(1,239.79)	(174.00)	(2,400.89)	(2,388.38)
5	Exceptional Items							(3,322.77)	(448.03)
6	Income Taxes							(880.21)	(273.67)
7	<b>Net Profit/(Loss) after Taxes</b>							<b>(6,538.72)</b>	<b>(3,940.97)</b>
8	Share of Profit/(Loss) of Associates							1,082.35	383.16
9	Minority Interest in Net Income/(Loss)							1,182.51	861.86
10	Adjustment on Acquisition of Subsidiaries							97.22	(55.97)
11	<b>Net Profit/(Loss) after Share of Associates and Minority Interest</b>							<b>(4,176.64)</b>	<b>(2,751.92)</b>
<b>C</b>	<b>SEGMENT ASSETS</b>	106,221.34	89,243.48	74,200.48	20,212.26	(5,982.56)	(2,754.11)	174,439.26	106,701.63
	Unallocated Assets							677.27	565.94
	Proportionate Share in Joint Venture							7,994.63	2,479.36
	<b>TOTAL ASSETS</b>	<b>106,221.34</b>	<b>89,243.48</b>	<b>74,200.48</b>	<b>20,212.26</b>	<b>(5,982.56)</b>	<b>(2,754.11)</b>	<b>183,111.16</b>	<b>109,746.93</b>
<b>D</b>	<b>SEGMENT LIABILITIES</b>	37,708.95	32,678.88	263.85	648.15	(8,482.59)	(1,579.09)	29,490.21	31,747.94
	Unallocated Liabilities							3,794.64	3,465.75
	Proportionate Share in Joint Venture							6,072.56	1,845.05
	<b>TOTAL LIABILITIES</b>	<b>37,708.95</b>	<b>32,678.88</b>	<b>263.85</b>	<b>648.15</b>	<b>(8,482.59)</b>	<b>(1,579.09)</b>	<b>39,357.41</b>	<b>37,058.74</b>
<b>E</b>	<b>CAPITAL EXPENDITURE</b>	1,328.14	16,235.68	1.08	2.36	-	-	1,329.22	16,238.04
	Proportionate Share in Joint Venture							771.33	318.64
<b>F</b>	<b>DEPRECIATION</b>	2,131.98	2,437.70	3.96	5.90	-	-	2,135.94	2,443.59
	Proportionate Share in Joint Venture							165.37	89.75
<b>G</b>	Non Cash Expenses Other than Depreciation	-	-	-	-	-	-	-	-



## b) Geographical Segment

The entire operations of the group are carried out in India. However the subsidiary companies Indus League Clothing Limited and Indus Tree Crafts Private Limited and Joint Venture Company Clarks Future Footwear Limited have done business outside India as well. The disclosure relating to geographical segment is given below

(₹ In Lakhs)

Particulars	2011-12		
	Domestic	Export	Total
Revenue	85,923.16 ( 54,873.17)	117.94 ( 52.95)	86,041.10 (54,926.12)
Assets	183,071.85 (109,742.58)	39.31 ( 4.35)	183,111.16 (109,746.93)
Capital Expenditure	2,100.56 (16,556.68)	- -	2,100.56 (16,556.68)

Figures in bracket represent previous year figures

## 38. RELATED PARTIES DISCLOSURES

### a) Names of Related Parties & Nature of Related Parties Relationship

(As identified by the management and relied upon by the auditors)

Particulars	March 31,2012	March 31,2011
i. Associates	And Design India Limited Capital Foods Exportts Pvt. Ltd. Capital Foods Limited (Subsidiary of Capital Foods Exportts Pvt. Ltd.) Integrated Food Park Pvt. Ltd. (Subsidiary of Capital Foods Limited) Turtle Limited (Associate of Indus League Clothing Limited) BIBA Apparels Pvt. Ltd.  Karadi Path Education Company Pvt. Ltd. (Associate of Amar Chitra Katha Pvt. Ltd. with effect from February 14,2012)	And Designs India Limited Capital Foods Exportts Pvt. Ltd. Capital Food Limited (Subsidiary of Capital Foods Exportts Pvt. Ltd.) Turtle Limited ( Associate of Indus League Clothing Limited) BIBA Apparels Pvt. Ltd. (With effect from March 14, 2011) Amar Chitra Katha Pvt. Ltd. (With effect from March19,2011) Integrated Food Park Pvt. Ltd. (Subsidiary of Capital Foods Limited)
ii. Joint Ventures	Holii Accessories Pvt. Ltd. Celio Future Fashion Limited (Joint Venture of Indus League Clothing Limited) Clarks Future Foot Wear Limited ( With effect from June 29, 2011)	Holii Accessories Pvt Ltd Celio Future Fashion Limited (Joint Venture of Indus League Clothing Limited)
iii. Enterprises over which key management personnel can exercise control/ significant influence	Akar Estate & Finance Pvt. Ltd. Anchor Mall Pvt. Ltd. Apollo Design Apparel Parks Limited Bansi Mall Management Co. Pvt. Ltd. ESES Commercial Pvt. Ltd. FSC Brand Distribution Services Limited Future Agrovet Limited Future Brands Limited Future Corporate Resources Limited Future E Commerce Infrastructure Limited	Pantaloon Retail (India) Limited Future Capital Holdings Limited Future Capital Investment Pvt. Ltd. PIL Industries Limited (Formerly known as Pantaloon Industries Limited)  Future Corporate Resources Limited Future Ideas Realtors India Limited Future Ideas Company Limited Future Value Retail Limited Home Solutions Retail (India) Limited

<b>Particulars</b>	<b>March 31,2012</b>	<b>March 31,2011</b>
	Future Finance Limited Future Generali India Insurance Company Limited Future Generali India Life Insurance Company Limited Future Human Development Limited Future Ideas Company Limited Future Ideas Realtors India Limited Future Knowledge Services Limited Future Media (India) Limited Future Outdoor Media Solutions Limited Future Supply Chain Solutions Limited Future Value Retail Limited Futurebazaar India Limited Goldmohur Design and Apparel Park Limited Future Capital Holdings Limited Home Solutions Retail (India) Limited Ishkrupa Mall Management Co. Pvt. Ltd. Manz Retail Pvt. Ltd. Nufuture Digital (India) Limited Pantaloon Retail (India) Limited PIL Industries Limited PRTL Enterprises Limited Splendor Fitness Pvt. Ltd. (Formerly known as Talwalkars Pantaloon Fitness Pvt. Ltd.) Staples Future Office Product Pvt. Ltd. Suhani Trading & Consultants Pvt. Ltd. Future Ventures Employee Welfare Trust	Future Agrovvet Limited Winner Sports Limited Future Capital Financial Services Limited Future Finance Limited Kshitij Investment Advisory Company Limited Splendor Fitness Pvt. Ltd. (Formerly known as Talwalkars Pantaloon Fitness Pvt. Ltd.) Future Realtors (India) Pvt. Ltd. Iskrupa Mall Management Company Pvt. Ltd. Anchor Malls Pvt. Ltd. Future Brands Limited Bansj Mall Management Co. Pvt. Ltd. Future Outdoor Media Solutions Limited
iv. Key Management Personnel	Kishore Biyani Managing Director	Kishore Biyani Managing Director



b) Transactions with Related Parties

(₹ in Lakhs)

Particulars	Associates	Joint Ventures	Enterprise over which key management personnel can exercise control/ significant influence	Key managerial Personnel
Purchase of Investments (Equity Shares)	3,500.00 (1,801.98)	100.00 (100.00)	2,325.00 (12,005.00)	- -
Purchase of Investments (Optionally Convertible Debentures)	2,500.00 -	- -	- -	- -
Sale of Investment	- -	- -	- (300.00)	- -
Issue of Equity Shares	- -	- -	- (25,000.00)	- -
Loan Taken	- -	1,350.00 (62.50)	- (2,350.00)	- -
Loan Repaid	- -	350.00 (62.50)	2,576.27 (2,100.00)	- -
ICDs Given	29,924.00 (900.00)	2,800.00 (475.00)	32,527.00 (13,711.60)	- -
ICDs Received Back	24,721.00 (800.00)	2,700.00 (475.00)	22,416.60 (17,795.00)	- -
Loans and Advances Given	- -	- -	1,621.00 -	- -
Loans and Advances received back	- -	- -	661.00 -	- -
Purchase of Fixed Asset	- -	- -	14.45 (15,371.66)	- -
Sale of Asset	- -	- -	- (266.64)	- -
Sales	- -	- (110.65)	55,791.93 (20,780.63)	- -
Interest Income	641.05 (8.03)	14.65 (15.49)	1,026.30 (748.17)	- -
Royalty Income	- -	- -	175.00 (320.85)	- -
Rent Received	- -	29.02 (23.68)	16.20 (72.00)	- -
Purchases	17.42 -	- (66.48)	5,595.27 (1,944.83)	- -
Interest Expenses	- -	6.59 (2.27)	10.43 (288.13)	- -
Royalty Expenses	- -	- -	594.23 (380.67)	- -
Rent Paid	- -	13.16 (12.87)	57.42 (38.22)	- -
Mentoring & Advisory Fees	- -	- -	1,500.00 (132.36)	- -
Fees for Other Services	- -	- -	241.67 -	- -



(₹ in Lakhs)

Particulars	Associates	Joint Ventures	Enterprise over which key management personnel can exercise control/ significant influence	Key managerial Personnel
Warehousing and Direct Expenses	-	-	968.54	-
	-	-	-	-
Other Expenses	8.08	0.09	34.58	-
	-	(0.40)	(225.32)	-
Marketing & Advertisement Expenses	-	-	1,208.10	-
	-	-	(170.50)	-
Managerial Remuneration	-	-	-	17.92
	-	-	-	-
Advance towards Expenses	-	-	0.11	-
	-	-	-	-
Trade Advances Given & Settled	-	-	-	-
	-	-	(1,350.00)	-
Advance for Purchase of Shares	-	-	-	-
	(10.00)	-	-	-
Refund of Share Application Money by Subsidiary	-	-	141.30	-
	-	-	(228.08)	-
ICDs Receivable	5,618.00	100.00	15,337.00	-
	(100.00)	-	(5,191.60)	-
Interest Receivable	74.81	0.31	120.60	-
	(0.62)	-	(35.69)	-
Receivables	0.94	6.64	15,220.52	-
	-	(0.06)	(16,643.06)	-
Payables	11.21	13.47	837.09	-
	(0.50)	(14.33)	(1,331.72)	-
Loans Outstanding	-	1,000.00	-	-
	-	-	(2,145.50)	-
Loan Given Outstanding	-	-	960.00	-
	-	-	-	-

## c) Disclosure in respect of Material Transactions with Related Party

(₹ In Lakhs)

Particulars	March 31, 2012	March 31, 2011
<b>Purchase of Investments Equity</b>		
Pantaloon Retail India Limited	2,325.00	2,000.00
Capital Foods Exportts Pvt. Ltd.	3,500.00	-
Amar Chitra Katha Pvt. Ltd.	NA	1,502.06
Future Realtors India Pvt. Ltd.	-	2,753.00
Future Corporate Resources Limited	-	3,932.85
Pantaloon Industries Limited	-	2,287.11
<b>Purchase of Investments</b>		
Optionally Convertible Debentures		
Capital Foods Exportts Pvt. Ltd.	2,500.00	-



(₹ In Lakhs)

<b>Particulars</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
<b>Sales of Investments</b>		
Future Realtors (India) Pvt. Ltd.	-	300.00
<b>Issue of Equity Shares</b>		
Pantaloon Retail India Limited	-	15,000.00
Future Capital Investment Pvt. Ltd.	-	10,000.00
<b>Loan Taken</b>		
Celio Future Fashion Limited	1,350.00	-
Pantaloon Retail (India) Limited	-	450.00
Future Capital Holdings Limited	-	1,900.00
<b>Loan Repayment</b>		
Pantaloon Retail (India) Limited	450.00	-
Celio Future Fashion Limited	350.00	-
Future Capital Holdings Limited	2,076.27	1,900.00
<b>ICDs Given</b>		
Capital Foods Exportts Pvt. Ltd.	9,110.00	NA
Splendor Fitness Pvt. Ltd.	NA	2,250.00
Iskrupa Mall Management Company Pvt. Ltd.	NA	2,025.00
Bansi Mall Management Co. Pvt. Ltd.	NA	4,025.00
Future Ideas Company Limited	NA	2,090.00
<b>ICDs Received Back</b>		
And Design India Limited	5,250.00	NA
Capital Foods Exportts Pvt. Ltd.	8,245.00	NA
Splendor Fitness Pvt. Ltd.	NA	2,250.00
Iskrupa Mall Management Company Pvt. Ltd.	NA	4,050.00
Bansi Mall Management Co. Pvt. Ltd.	NA	4,200.00
<b>Loans and Advances Given</b>		
Future Ventures Employee Welfare Trust	1,621.00	-
<b>Loans and Advances received back</b>		
Future Ventures Employee Welfare Trust	661.00	-
<b>Purchase of Assets</b>		
Staples Future Office Product Pvt. Ltd.	8.47	-
Future Value Retail Limited	5.41	15,378.23
<b>Sale of Assets</b>		
Future Value Retail Limited	-	246.49
<b>Sales</b>		
Future Value Retail Limited	21,567.33	13,006.44
Pantaloon Retail (India) Limited	34,223.67	7,617.48
<b>Interest Income</b>		
Future Ideas Company Limited	196.79	NA
Home Solutions Retail (India) Limited	NA	79.62
Future Agrovet Limited	NA	79.40
Iskrupa Mall Management Company Pvt. Ltd.	NA	176.98
Bansi Mall Management Co. Pvt. Ltd.	NA	208.15

(₹ In Lakhs)

<b>Particulars</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
<b>Royalty Income</b>		
Pantaloon Retail (India) Limited	87.50	48.26
Future Value Retail Limited	87.50	65.15
Future Brands Limited	-	207.45
<b>Rent Received</b>		
Future Agrovet Limited	16.20	-
Celio Future Fashion Limited	29.02	23.68
Future Value Retail Limited	-	72.00
<b>Purchases</b>		
Future Value Retail Limited	811.56	621.85
Future Agrovet Limited	1,539.62	1,052.48
PIL Industries Limited	2,431.68	1,913.50
<b>Interest Expenses</b>		
Pantaloon Retail (India) Limited	10.36	53.24
Celio Future Fashion Limited	6.40	-
Future Capital Holdings Limited	22.84	234.90
<b>Royalty Expenses</b>		
Future Ideas Company Limited	137.88	110.30
Future Brands Limited	456.36	205.22
Future Value Retail Limited	-	65.15
<b>Rent Paid</b>		
Future Supply Chain Solutions Limited	13.08	-
Future Value Retail Limited	17.45	-
Celio Future Fashion Limited	13.16	12.87
Pantaloon Retail (India) Limited	13.50	9.35
Future Agrovet Limited	8.40	-
Kshitij Investment Advisory Company Limited	-	10.29
Pantaloon Industries Limited	-	14.84
<b>Mentoring and Advisory Fees</b>		
Future Corporate Resources Limited	360.00	132.36
Pantaloon Retail (India) Limited	1,140.00	-
<b>Fees for Other Services</b>		
Pantaloon Retail (India) Limited	241.67	-
<b>Warehousing and Direct Expenses</b>		
Future Supply Chain Solutions Limited	968.54	-
<b>Other Expenses</b>		
Future Generalii India Life Insurance Company Limited	19.24	-
Integrated Food Park Pvt Ltd.	7.95	-
Future Knowledge Services Limited	4.44	-
Future Supply Chain Solutions Limited	4.47	45.74
Pantaloon Retail India Limited	-	145.87



(₹ In Lakhs)

Particulars	March 31, 2012	March 31, 2011
<b>Marketing and Advertisement Expenses</b>		
Future Corporate Resources Limited	1,003.49	89.03
Future Media (India) Limited	141.59	81.47
<b>Managerial Remuneration</b>		
Mr.Kishore Biyani	17.92	-
<b>Advance towards Expenses</b>		
Future Generali India Life Insurance Company Limited	0.11	-
<b>Trade Advance Given and Settled</b>		
Future Corporate Resources Limited	-	1,350.00
<b>Advance for Purchase of Shares</b>		
BIBA Apparels Pvt. Ltd.	-	10.00
<b>Refund of Share Application Money</b>		
Pantaloon Retail (India) Limited	141.30	228.08
<b>ICD Receivable</b>		
Bansi Mall Management Co. Pvt. Ltd.	NA	1,925.00
Future Ideas Company Limited	NA	2,090.00
<b>Interest Receivable</b>		
Anchor Mall Pvt. Ltd.	18.86	-
ESES Commercial Pvt Ltd.	24.32	-
Integrated Food Park Pvt. Ltd.	58.47	NA
Manz Retail Pvt. Ltd.	22.96	-
Splendor Fitness Pvt. Ltd. (Formerly known as Talwalkars Pantaloon Fitness Pvt. Ltd.)	-	5.16
Future Ideas Company Limited	NA	23.19
<b>Receivables</b>		
Future Value Retail Limited	1,877.00	2,662.28
Pantaloon Retail (India) Limited	13,329.62	13,946.09
<b>Loans Given Outstanding</b>		
Future Ventures Employee Welfare Trust	960.00	-
<b>Payables</b>		
Apollo Design Apparel Parks Limited	85.15	-
Goldmohur Design and Apparel Park Limited	84.44	-
Future Brands Limited	182.96	190.70
Future Corporate Resources Limited	112.51	144.31
Future Supply Chain Solutions Limited	162.07	NA
Pantaloon Retail (India) Limited	NA	815.85
<b>Loans Outstanding</b>		
Celio Future Fashion Limited	1,000.00	-
Future Capital Holdings Limited	-	2,076.27

### 39. DISCLOSURE RELATING TO LEASES

#### Operating Lease

The Subsidiary's leasing arrangements are in respect of operating leases for premises occupied by the Company. These leasing arrangements are cancellable, and are renewable on a periodic basis by mutual consent on mutually acceptable terms. With respect to the Joint Ventures, these are generally not non-cancellable and are renewable either by mutual consent on mutually agreed terms or at the option of the lessee.

#### Lease Expenses - Operating Lease

Particulars	March 31, 2012 ₹ In Lakhs	March 31, 2011 ₹ In Lakhs
Lease payments for the year	278.44	360.03
<b>Minimum Lease Payments</b>		
Not later than one year	83.86	176.33
Later than one year but not later than five years	112.10	156.70
Later than five years	-	3.68

#### Finance Lease

The leasing agreement is towards machinery taken on lease by a subsidiary

#### Lease Expenses - Finance Lease

Particulars	March 31, 2012 ₹ In Lakhs	March 31, 2011 ₹ In Lakhs
Lease payments for the year	11.35	15.14
<b>Minimum Lease Payments</b>		
Not later than one year	0.03	11.38
Later than one year but not later than five years	-	-
Later than five years	-	-

#### Lease Income

The leasing arrangement is towards machinery given on lease by a subsidiary

Particulars	March 31, 2012 ₹ In Lakhs	March 31, 2011 ₹ In Lakhs
Lease rentals received during the year	39.12	38.64
<b>Minimum Lease Payments</b>		
Not later than one year	9.75	38.95
Later than one year but not later than five years	-	9.75
Later than five years	-	-

### 40. EARNINGS PER SHARE

#### Numerator

The Company has only one class of equity share, hence the Profit after Tax is used for computation of earnings per share without any adjustment.

#### Denominator

Particulars	March 31, 2012	March 31, 2011
No. of equity shares at the beginning of the year	826,243,700	576,243,700
No. of equity shares at the end of the year	1,576,243,700	826,243,700
Weighted average number of shares outstanding during the year	1,506,571,569	758,161,508



The Company has issued employee stock options during the year which gives rise to potential equity shares. However, as per the terms of the stock option scheme, the exercise price is greater than the average fair value of the shares during the year. Therefore, these potential shares are considered to be anti-dilutive and accordingly, they are not considered in the computation of diluted earnings per share. Hence the basic and diluted earnings per share are the same.

#### 41. DISCLOSURE RELATING TO ACCOUNTING STANDARD 29

Proportionate share in Joint Venture under "Provisions" includes provision for goods that are expected to be returned by other retailers based on sales made on "shop-in-shop" arrangements and provision for expected discounts to other retailers based on sales made on "shop-in-shop" arrangements.

(₹ In Lakhs)

Particulars	2011-12			2010-11		
	Sales Return	Discounts	Total	Sales Return	Discounts	Total
Opening Balance	86.50	71.25	157.75	32.50	23.50	56.00
<b>Add:-</b> Provision for the year	205.00	69.50	274.50	86.50	71.25	157.75
<b>Less:-</b> Utilization/Settlement	(86.50)	(71.25)	(157.75)	(32.50)	(23.50)	(56.00)
<b>Closing Balance</b>	<b>205.00</b>	<b>69.50</b>	<b>274.50</b>	<b>86.50</b>	<b>71.25</b>	<b>157.75</b>

#### 42. Details of foreign currency payables that have not been hedged by a derivative instrument or otherwise are as under:

Currency	2011 - 12		2010 - 11	
	Foreign Currency	Indian Currency	Foreign Currency	Indian Currency
Euro	4.36	283.84	2.69	168.09
Dollar	50.22	2,487.59	11.18	513.72

#### 43. CONTINGENT LIABILITIES

Particulars	As at March 31, 2012 ₹ In Lakhs	As at March 31, 2011 ₹ In Lakhs
Bank Guarantee	3,903.80	8.78
Corporate Guarantee	1,400.00	700.00
Service tax on rent not Provided (Refer Note (ii))	0.88	163.85
Claims against the Company not acknowledged as Debt	41.18	-
Liability on account of Civil Cases, Consumer Cases and Labour Cases	16.00	64.80
Arbitration	41.14	-
Central Excise and Sales Tax Demand (Refer Note (iii))	51.13	490.70
Income Tax Demand(Refer Note (iii))	113.20	-
<b>TOTAL</b>	<b>5,567.33</b>	<b>1,428.13</b>

#### Notes:

- Includes proportionate share of Joint Ventures of ₹ Nil (Previous Year – ₹ 1.71 lakhs)
- In respect of previous year, based on Delhi High Court's interim stay order in respect of Service tax payable on renting of immovable property, the company has taken a stand of not to pay service tax on rent payable, pending Supreme Court decision.
- The management is of the opinion that the demand is arbitrary and the same is not sustainable.

44. Certain subsidiaries of the company have incurred losses resulting in erosion of their net worth. These companies are in the process of building respective businesses/brands and creating substantial value. The management is fully committed to lead them to profitability by providing the necessary financial support and mentoring. Therefore, in the opinion of the management, the diminutions in the value of the said investment are not other than temporary in the nature and consequently, no adjustment is considered necessary to the carrying value of Goodwill on Consolidation.
45. The Revised Schedule VI has become effective from April 1, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**For and on behalf of the Board**

**Kishore Biyani**  
Managing Director

**G.N.Bajpai**  
Chairman

**Manoj Gagvani**  
Company Secretary  
& Head - Legal

**Gopal Bihani**  
Vice President - Finance

Place : Mumbai

Date : 24<sup>th</sup>May 2012



**Financial Information on Subsidiary companies for the year ended on 31<sup>st</sup> March ,2012**

Name of Company	Amount in Lakhs									
	Share Capital	Reserves (Including Profit and Loss A/c Debit Balance)	Total Assets	Total Liability	Investments (Except Investment in Subsidiaries)	Total Income	Profit before Tax	Provision for Tax (Including Deferred Tax)	Profit after Tax	Proposed Dividend (Including Taxes)
Future Consumer Enterprises Limited	1005.00	13196.17	18272.02	18272.02	2500.43	10769.79	(641.17)	-	(641.17)	-
Future Consumer Products Limited	245.00	(165.69)	133.04	133.04	0.10	176.98	(0.50)	-	(0.50)	-
Indus Leauge Clothing Limited (ILCL)	3032.82	16696.44	42824.68	42824.68	7173.50	36952.77	443.47	68.00	375.47	-
Lee Cooper India Limited (Subsidiary of ILCL)	1000.00	(11.11)	3899.98	3899.98	0.58	15177.02	1097.22	383.27	713.95	19.06
Aadhar Retailing Limited	3200.00	(124.14)	6867.76	6867.76	-	9337.20	(2483.67)	(17.29)	(2466.37)	-
Indus Tree Craft Pvt.Ltd. (ICPL)	136.38	452.16	1314.21	1314.21	0.06	633.97	(197.59)	-	(197.59)	-
Indus Tree Producer Transform Pvt. Ltd. (Subsidiary of ICPL)	69.44	(325.98)	1249.21	1249.21	-	1063.05	(324.14)	-	(324.14)	-
Amar Chitra Katha Pvt.Ltd. (ACK)	3.88	6402.29	6806.72	6806.72	459.85	1552.06	(258.95)	-	(258.95)	-
IBH Books & Magazines Distributors Pvt. Ltd. (Subsidiary of ACK)	50.00	382.95	3713.65	3713.65	-	4875.72	(250.26)	-	(250.26)	-
ACK Media Direct Pvt.Ltd. (Subsidiary of ACK)	6.00	(248.19)	157.60	157.60	-	207.78	(156.26)	-	(156.26)	-
Ideas Box Entertainment Pvt.Ltd. (Subsidiary of ACK)	90.00	(189.84)	207.70	207.70	-	217.13	(84.10)	-	(84.10)	-
ACK Edutainment Pvt.Ltd. (Subsidiary of ACK)	14.00	(9.62)	4.50	4.50	-	-	(0.27)	-	(0.27)	-
ACK Eaglemoss Collectibles Publishing Pvt. Ltd. (Subsidiary of ACK)	1.00	(1.48)	1.04	1.04	-	-	(0.18)	-	(0.18)	-
Karadi Tales company Pvt. Ltd. (Subsidiary of ACK)	119.60	180.82	395.71	395.71	-	117.86	(77.74)	-	(77.74)	-