

Future Value Retail Limited

Annual Report

2010 - 11

Report of the Board

To,

The Members

Future Value Retail Limited

Your Directors are pleased to present the Fourth Annual Report of the Company for the financial year ended 30 June 2011.

FINANCIALS

(Rupees in Crores)

	For the year ended 30 June 2011	For period of 15 months ended 30 June 2010
Turnover	6914.83	2991.71
Other income	3.77	1.10
Total Income	6918.60	2992.81
Depreciation	121.17	50.44
Other Expenditure	6628.22	2867.70
Total expenditure	6749.39	2918.14
Profit before tax	169.21	74.67
Taxes	56.21	24.07
Profit after tax	113.00	50.60
Appropriation: Debenture Redemption Reserves	25.00	25.00
Earning Per Share-Basic and Diluted (a)	16.99	13.99

BUSINESS OVERVIEW, GROWTH AND EXPANSION

The Company is engaged in Value Retail Business since 1st January, 2010 as part of the realignment initiative of the Future Group and its holding company Pantaloon Retail (India) Limited (PRIL). During FY 2010-11, the Company registered income from operations amounting to a 6914.83 Crores and profit for the said financial year stood at a 113.00 Crores. The Company is operating marquee format brand Big Bazaar and Food Bazaar apart from other smaller format in Value Retail Business.

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During the year, the Company opened new 26 Food Bazaars including SIS located within the 19 new Big Bazaar stores between July 2010 and June 2011. In addition to the above, other formats of the Company also saw a good growth in terms of numbers as well as turnover.

A crucial roll out for the forthcoming year is the launch of FoodHall – an upgraded food store catering to a more evolved set of customers willing to pay a higher price for more value added food products as well as international food ingredients.

The management is also concentrating in increasing its presence in fashion through “fashion at Big Bazaar” (f@bb), providing multiple choice to value customer in fashion segment.

With such initiative and many more to be added, Management is positive of the growth of the business and Company.

DIVIDEND

To conserve the financial resources, your Directors do not recommend any dividend for the year under review

FIXED DEPOSITS

During the year ended on 30 June 2011, the Company has not accepted any deposit within the meaning of section 58A of the Companies Act, 1956, read together with the Companies (Acceptance of Deposits) Rules, 1975.

HOLDING COMPANY

The Company is 100% subsidiary of Pantaloon Retail (India) Limited.

SUBSIDIARY

As required pursuant to section 212 of the Companies Act, 1956, the financial statements together with Directors' Report and Auditors' Report of Company's subsidiary Future Freshfoods Limited are enclosed with this report as Annexure – I.

DIRECTORS

With deep regret, we report the sad and sudden demise of Mr. Raghu Pillai, then Executive Director, on 10 April 2011. Mr. Raghu Pillai was associated with the Company since December

2010. In the short stint he had given right direction to the Company operations. The Board places on record its appreciation for contribution of Mr. Raghu Pillai during his tenure as Executive Director of the Company. As per the applicable provisions of the Companies Act, 1956, the resolution for approving his appointment for the period of his service and remuneration paid to him during that period has been submitted to the members for their consideration with recommendation of the Board.

During the year under review, the Board had co-opted Ms. Ashni Biyani, Mr. Vivek Biyani, Ms. Rajni Bakshi and Ms. Ranjana Kumar as Additional Directors of the Company with effect from 6 January 2011.

Further the Board had appointed Mr. Damodar Mall as an Additional Director of the Company with effect from 13 May 2011. He has further been appointed as Executive Director for a period of 3 years with effect from 13 May 2011 in accordance with the recommendation of the Remuneration and Nomination Committee. As per the applicable provisions of the Companies Act, 1956, the resolution for approving his appointment and remuneration payable to him is being submitted to the members for their consideration with recommendation of the Board.

During the year under review, Mr. Sanjay Rathi and Mr. Rajesh Kalyani resigned from the Directorship of the Company with effect from 6 January 2011. The Board wishes to place on record its appreciation for the valuable services rendered by them during their tenure.

In terms of Section 255 and 256 the Companies Act, 1956, Mr. C P Toshniwal retires at the ensuing Annual General Meeting of the Company and being eligible, offers himself for the appointment as Director.

In terms of section 260 of the Companies Act, 1956, Ms. Ashni Biyani, Mr. Vivek Biyani, Ms. Rajni S Bakshi, Ms. Ranjana Kumar and Mr. Damodar Mall hold office as Additional Directors till the date of ensuing annual general meeting. The Company is in receipt of notices pursuant to the provisions of Section 257 of the Companies Act, 1956 read with Articles of Association of the Company from the members proposing the candidature of Ms. Ashni Biyani, Mr. Vivek Biyani, Ms. Rajni S Bakshi, Ms. Ranjana Kumar and Mr. Damodar Mall for the appointment as Directors liable to retire by rotation.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

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1. that in the preparation of the Annual Accounts for the financial year ended 30 June 2011, the applicable accounting standards have been followed along with proper explanations relating to material departures;
2. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for the financial year ended 30 June 2011;
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
4. that the Directors have prepared the accounts for the financial year ended 30 June 2011 on a 'going concern' basis.

AUDITORS

M/s. NGS & Co., Chartered Accountants, shall retire at the ensuing Annual General Meeting and are eligible for re-appointment. They have issued a certificate to the effect that their re-appointment, if made at the ensuing annual general meeting, would be within the limits prescribed under section 224(1B) of the Companies Act, 1956. Members are requested to consider and approve the re-appointment of M/s. NGS & Co. as Auditors of the Company.

PARTICULARS OF EMPLOYEES

The Statement containing particulars of employees as required under section 217(2A) of the Companies Act, 1956 and the rules made there under, is given as an Annexure - II appended hereto and forms part of this Report.

AUDIT COMMITTEE

The Company has constituted an Audit Committee pursuant to the provisions of section 292A of the Companies Act, 1956 comprising of the following directors:

Mr. C P Toshniwal	Chairman
Mr. Vivek Biyani	Member (w.e.f. 6 January 2011)
Mr. Damodar Mall	Member (w.e.f. 13 May 2011)

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Mr. Raghu Pillai Member (w.e.f. 6 January 2011 upto 10 April 2011)

Mr. Rajesh Kalyani Member (upto 6 January 2011)

Mr. Sanjay Rathi Member (upto 6 January 2011)

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO AND EXPORT INITIATIVE

Form A to the Annexure to the Companies (Disclosure of Particulars in the Report of Board of Directors), Rules, 1988 does not apply to the Company. However, there is no expenditure on R&D, Technology Absorption, adoption & innovation during the current financial year. The Company being concentrating on the domestic consumption space does not have any specific exports initiatives to report to members. However, the Company earned the foreign exchange by way of sale against foreign credit cards and foreign exchange received from customers, as per details given hereunder.

Foreign Exchange Earnings & Outgo:

	(Rupees in Crores)	
	For the year ended 30 June 2011	For period of 15 months ended 30 June 2010
Foreign exchange outgo	3.52	0.09
Earnings in Foreign Currency	20.42	9.21

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation and acknowledge with gratitude for the support and co-operation extended by the Government, clients, bankers, investors and other government agencies and look forward to their continued patronage in future.

For and on behalf of the Board of Directors

-sd-

Mumbai, 25 August 2011

Damodar Mall

Executive Director

-sd-

Vivek Biyani

Director

ANNEXURE-I

FUTURE FRESHFOODS LIMITED

STATEMENT PURSUANT TO SEC. 212 OF THE COMPANIES ACT, 1956 RELATING TO
COMPANY'S INTEREST IN SUBSIDIARY COMPANY AS ON 31 MARCH 2011

(Rs. In thousand)

Name of the subsidiary company	Future Freshfoods Limited
1. Financial period of subsidiary ended on	31 March 2011
2. Date from which it became subsidiary	3 December 2010
3. a) Number of shares held by the Company b) Extent of holding at the end of the financial year of the subsidiary company	791700 Equity Shares of Rs.10/- each fully paid up 79.17%
4. The net aggregate amount of the subsidiary company's Profit / (Loss) so far as it concerns the members of the Company a) Not dealt with the Holding Company's accounts i. For the financial year ended 31/03/2011 ii. For the previous financial years of the subsidiary company since they became the holding company's subsidiary b) Dealt with in holding Company's accounts i. For the financial year ended 31/03/2011 ii. For the previous financial years of the subsidiary company since they became the holding company's subsidiary	(28007.45) First Financial Year N.A. NIL NIL

ANNEXURE II

Information as per section 217(2A) of the Companies Act, 1956 read with Company (Particulars of Employees) Rules, 1975

Name of the Employee	Designation of the employee	Qualification of the employee	Experience of the employee (yrs)	Date of commencement of employment	Age of the employee	Last employment held by such employee	Remuneration paid (Rs.)
Mr. Amit Kumar	Head-Fashion @ Big Bazaar	PGDBA	16	01-03-00	39	Indus Clothing Ltd.	6563414
Mr. Sanjeev Agrawal	Joint CEO - FVRL	B.Tech + PGDBM	21	28-04-03	44	Balsara Home Products	13965002
Mr. Dupindera Sandhu	GM - Category (Food Bazaar)	MBA	16	16-09-03	39	Worldwide	6663083
Mr. Sadashtv Nayak	Joint CEO - FVRL	PGDM	16	05-07-04	41	Hindustan Lever Ltd	11999998
Mr. G. R. Venkatesh	Head -People Office	PGDM	14	06-12-05	40	Bharti Televentures Ltd	6759402
Mr. Venkateshwar Kumar M	Vice President-South	MBA	20	15-12-05	43	Bharti Cellular(Airtel)	6693071
Mr. Hans Udeshi	CEO - General Merchandising	B.com (Hons)	13	05-02-07	48	Max Hypermarket	8060005
Mr. Rajiv Nambiar	Chief People Officer-Talent Design & Development	MA (SW)	18	14-11-07	46	RPG Enterprise	7298632
Ms.Suzette Sugathan	Business Head - Health & Beauty	MBA	11	16-06-08	38	Hindustan Unilever Ltd	9979177
Mr. Upamanyu Bhattacharya	CEO - KB's Fair Price	MMS	17	24-03-08	40	Pramyd Retail	6144965

Name of the Employee	Designation of the employee	Qualification of the employee	Experience of the employee (yrs)	Date of commencement of employment	Date of leaving	Age of the employee	Last employment held by such employee	Remuneration paid (Rs.)
Mr. Vinod Bajaj	Head - Business Development, Food Business	B.Sc.	17	01-04-10	15-03-11	60	Saga Department Stores Ltd	8697190
Mr. Saurabh Bhushan Chadha	Head - Operations	MBA	20	14-07-06	07-03-11	44	Great Wholesale Club Ltd	9737666

Notes:

1. The employees have adequate experience to discharge the responsibilities assigned to them.
2. The nature of employment is contractual.
3. None of these employees is related to any director of the Company.

Auditors' Report

The Members of Future Value Retail Limited

1. We have audited the attached Balance Sheet of Future Value Retail Limited as at June 30, 2011 and also the Profit and Loss account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) , issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - v. On the basis of the written representations received from the directors, as on June 30, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on June 30, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with significant accounting policies and other notes to accounts of Schedule 19 give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at June 30, 2011;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For NGS & CO;
Chartered Accountants
Firm Registration no. 119850W

-sd-

Navin T. Gupta
Partner
Membership No.: 40334
Mumbai
August 25, 2011

Annexure to the Auditors Report

Re: Future Value Retail Limited ('the Company')

With reference to the Annexure referred to in Paragraph 3 of the report of the Auditors to the members of the company for the year ended June 30, 2011. We report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has physically verified certain assets during the year in accordance with a program of verification, which in our opinion provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- ii. (a) The Company has conducted physical verification of inventory at regular intervals during the year.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and its nature of business.
- (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between physical stocks and the book records were not material having regard to the size of the operations of the company.
- iii. The Company has not granted or taken any loan secured/unsecured to/from Companies, firms or parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore provisions of clause 4(iii) of the Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weaknesses have been noticed in the internal control system in respect of these areas. Further, we have not observed any continuing failure to correct major weaknesses in internal control systems of the Company.
- v. In respect of particulars of contracts or arrangements and transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956.
 - a. To the best of our knowledge and belief and according to the information and explanations given to us, particulars of contracts or arrangements that needed to be entered into the register have been so entered.
 - b. According to the information and explanations given to us, the transactions made in pursuance of these contracts or arrangements referred to in v(a) above and exceeding the value of Rs five lakhs with any party during the year have been made at prices which are reasonable having regards to prevailing market prices at the relevant time.

- vi. The Company has not accepted any deposits from the public. Therefore provisions of clause 4(vi) of the Order are not applicable to the Company.
- vii. In our opinion, the internal audit functions carried out during the year by firms of Chartered Accountants appointed by the management have been commensurate with the size of the Company and the nature of its business.
- viii. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act, in respect of Company's products. Therefore provision of clause 4(viii) of the Order is not applicable to the Company.
- ix. (a) According to the information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed statutory dues as above were outstanding as at June 30, 2011 for a period of more than 6 months from the date, they became payable.
- (b) According to the information and explanation given to us, there are no dues of provident fund, investor education and protection fund, employees state insurance, income tax, sales-tax, service tax wealth tax, custom duty, excise duty cess and other statutory dues which have not been deposited on account of any dispute.
- x. The company has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial period is fifty per cent or more of its net worth and whether it has incurred cash losses in this financial year and in the immediately preceding financial year.
- xi. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
- xii. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore the provisions of clause 4(xiii) the Order are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore provisions of clause 4(xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has given guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof in our opinion are not prima-facie prejudicial to the interest of the Company.

- xvi. In our opinion and according to the information and explanations given to us, the term loans obtained during the year have prima facie been applied for the purpose for which they were taken.
- xvii. According to information and explanations given to us and on overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long term investment.
- xviii. According to the information and explanations given to us, the Company has not made any preferential allotments of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956. Therefore provisions of clause 4(xviii) of the Order are not applicable to the Company.
- xix. The Company has not issued any secured debentures during the year. Therefore provisions of clause 4(xix) the Order are not applicable to the Company.
- xx. The Company has not raised any money by public issues during the year. Therefore provisions of clause 4(xx) of the Order are not applicable to the Company.
- xxi. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company was noticed or reported during the year, although there were some instances of fraud on the Company noticed by the Management, the amounts whereof were not material in the context of the size of the Company and the nature of its business and the amounts were adequately provided for.

For NGS & Co.
Chartered Accountants
Firm Registration no. 119850W

-sd-

Navin T. Gupta
Partner
Membership No.: 40334
Mumbai
August 25, 2011

FUTURE VALUE RETAIL LIMITED
BALANCE SHEET AS AT JUNE 30, 2011

PARTICULARS	Schedule	As At June 30, 2011	As At June 30, 2010
		(Rs. in Crores)	(Rs. in Crores)
SOURCES OF FUNDS :			
Shareholders' Funds			
Share Capital	1	66.50	66.50
Reserves & Surplus	2	1,074.86	981.86
		1,141.36	1,028.36
Loan Funds			
Secured Loans	3	1,694.51	1,297.63
Unsecured Loans	4	1,007.71	231.34
		2,702.22	1,528.97
Deferred Tax Liability		78.00	56.30
		3,921.58	2,613.63
APPLICATION OF FUNDS :			
Fixed Assets			
Gross Block	5	1,763.97	1,257.44
Less : Depreciation		170.19	50.41
Net Block		1,593.78	1,207.03
Capital work-in-progress		238.31	224.07
Investments	6	9.98	0.24
Current Assets, Loans & Advances			
Inventories	7	1,822.97	1,132.54
Sundry Debtors	8	196.66	147.50
Cash & Bank Balances	9	40.95	63.48
Loans & Advances	10	958.66	608.09
		3,019.14	1,949.61
Less : Current Liabilities & Provisions			
Current Liabilities	11	918.59	747.96
Provisions	12	21.04	19.36
		939.63	767.32
Net Current Assets		2,079.51	1,182.29
		3,921.58	2,613.63
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS		19	

The Schedules referred to above form an integral part of the Balance Sheet

As per our Report of even date attached

For NGS & CO.
Chartered Accountants

-sd-
Navin T. Gupta
Partner
Membership No.:40334

For and on behalf of Board of Directors

-sd-
Shailesh Haribhakti
Director

-sd-
Rajni Bakshi
Director

-sd-
Kuldeep Sharma
Company Secretary & Head-Legal

-sd-
C.P.Toshniwal
Director

-sd-
Damodar Mall
Executive Director

-sd-
Ashni Biyani
Director

Place : Mumbai
Date : 25th August, 2011

FUTURE VALUE RETAIL LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30,2011

PARTICULARS	Schedule	July 1, 10 to	April 1, 09 to	June
		June 30, 11	30, 10	(15
		(12 Months)	Months)	
		(Rs. in Crores)	(Rs. in Crores)	
INCOME				
Sales & Operating Income	13	6,914.83	2,991.71	
Other Income	14	3.77	1.10	
		6,918.60	2,992.81	
EXPENDITURE				
Cost of goods sold	15	5,177.79	2,243.05	
Personnel cost	16	266.40	114.46	
Operating & other expenses	17	944.33	407.16	
Finance charges	18	239.70	103.03	
Depreciation		121.17	50.44	
		6,749.39	2,918.14	
Profit Before Tax		169.21	74.67	
Less: Tax Expenses	19(B)(12)	56.21	24.07	
Profit After Tax		113.00	50.60	
Add: Balance brought forward		25.41	(0.19)	
Available for Appropriation		138.41	50.41	
Debenture Redemption Reserve		25.00	25.00	
Balance carried to Balance Sheet		113.41	25.41	
Earning Per Share in Rs. (Face Value Rs. 10)				
Basic & Diluted	19(B)(14)	16.99	13.99	
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS	19			
The Schedules referred to above form an integral part of the Profit & Loss Account				

As per our Report of even date attached

For NGS & CO.
Chartered Accountants
-sd-
Navin T. Gupta
Partner
Membership No.:40334

For and on behalf of Board of Directors
-sd-
Shailesh Haribhakti
Director

-sd-
C.P.Toshniwal
Director

-sd-
Ashni Biyani
Director

-sd-
Rajni Bakshi
Director

-sd-
Damodar Mall
Executive Director

Place : Mumbai
Date : 25th August, 2011

-sd-
Kuldeep Sharma
Company Secretary & Head-Legal

SCHEDULES TO BALANCE SHEET AS AT JUNE 30,2011

	As At June 30,2011 (Rs. in Crores)	As At June 30,2010 (Rs. in Crores)
SCHEDULE 1 : SHARE CAPITAL		
Authorised		
100,000,000 Equity Shares of Rs.10/- each.	100.00	100.00
	100.00	100.00
Issued, Subscribed & Paid Up		
664,99,912 Equity Shares of Rs.10/- each. (Out of above 664,99,912 equity share of Rs. 10 each fully paid up are held by Pantaloon Retail (India) Limited, the holding Company) (2,83,99,912 Equity Share of Rs. 10/- each fully paid up allotted as fully paid-up Bonus share by capitalisation of Share Premium)	66.50	66.50
	66.50	66.50
SCHEDULE 2 : RESERVES & SURPLUS		
Share Premium		
Balance, at beginning of the year	911.45	26.40
Add : Premium received during the year	-	912.00
Less : Utilised for share issue expenses	-	0.55
Less: Utilised for bonus shares issued	-	26.40
	911.45	911.45
Debenture Redemption Reserve		
Balance at beginning of the year	25.00	-
Add : Transfer from Profit & Loss Account	25.00	25.00
	50.00	25.00
Profit and Loss Account	113.41	25.41
	1,074.86	961.86
SCHEDULE 3 : SECURED LOANS		
(1) Non Convertible Debentures	500.00	500.00
(2) Term Loans From Banks		
a) Foreign Currency Loans	8.42	56.02
b) Rupee Loans	797.86	438.90
(3) Working Capital Loans From Banks		
Rupee Loans	388.23	302.71
	1,694.51	1,297.63
SCHEDULE 4 : UNSECURED LOANS		
(1) Debenture		
a) Compulsory Convertible Debentures series A	535.00	-
b) Compulsory Convertible Debentures series B	150.00	-
(2) From Banks		
Long Term	222.71	193.33
Short Term	100.00	25.01
(3) Inter Corporate Deposits	-	13.00
	1,007.71	231.34

SCHEDULES TO BALANCE SHEET AS AT JUNE 30,2011

	As At June 30,2011 (Rs. in Crores)	As At June 30,2010 (Rs. in Crores)
SCHEDULE 6 : INVESTMENTS		
LONG TERM INVESTMENT		
Non-Trade		
In Government Securities - Unquoted		
National Saving Certificates (Deposited with Government Authorities)	0.02	0.02
Subsidiary Company		
7,91,700 Equity share of Future Freshfoods Limited	9.74	-
CURRENT INVESTMENT		
In Mutual Fund		
1,99,039 Units of LIC Mutual Fund Liquid plus Growth Fund (Market Value Rs. 0.27 Crore, 2010 Rs. 0.25 crore)	0.22	0.22
	9.98	0.24
SCHEDULE 7 : INVENTORIES		
Packing Materials	14.23	11.77
Finished Goods (Including In-Transit)	1,808.74	1,120.77
	1,822.97	1,132.54
SCHEDULE 8 : SUNDRY DEBTORS		
(Unsecured, considered good)		
Debts due for less than six months	196.56	147.50
	196.56	147.50
SCHEDULE 9 : CASH & BANK BALANCES		
Cash in Hand	10.30	13.24
Balance with Scheduled Banks :		
- in Current Accounts	30.64	50.23
- in Margin Money Deposit Accounts	0.01	0.01
	40.95	63.48
SCHEDULE 10: LOANS & ADVANCES		
(Unsecured, considered good)		
Inter Corporate Deposit	7.00	-
Advances Recoverable in cash or in kind for value to be received	229.42	74.23
Deposits	722.24	531.86
	958.66	606.09
SCHEDULE 11: CURRENT LIABILITIES		
Acceptances	459.80	406.12
Sundry Creditors *	414.67	307.47
Advances from customers	12.93	9.20
Other Liabilities	28.94	22.45
Interest accrued but not due	2.25	2.72
	918.59	747.96
SCHEDULE 12: PROVISIONS		
Gratuity and Leave Encashment	10.75	8.19
Taxation (Net of Payment/deduction of tax)	10.29	11.17
	21.04	19.36

* Includes Rs. 1.26 Crores (2010 : Rs. NIL Crores) Payable to subsidiaries

SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30, 2011

	July 1, 10 to 30, 11 Months)	June (12 Months)	April 1, 09 to June 30, 10 (15 Months)
	(Rs. in Crores)		(Rs. in Crores)
SCHEDULE 13: SALES & OPERATING INCOME			
Sales		7,208.01	3,089.53
Less: VAT		431.71	173.92
		6,776.30	2,925.61
Other Operating Income		138.53	66.10
		6,914.83	2,991.71
SCHEDULE 14: OTHER INCOME			
Miscellaneous Income		3.77	1.10
		3.77	1.10
SCHEDULE 15: COST OF GOODS SOLD			
Opening stock of finished goods		1,120.77	-
Purchase of finished goods		5,865.76	3,363.82
Less : Closing Stock of finished goods		1,808.74	1,120.77
		6,177.79	2,243.05
SCHEDULE 16: PERSONNEL COST			
Salaries, Wages & Bonus		235.83	99.79
Contribution to Provident & Other Funds		16.42	6.81
Welfare expenses		9.90	3.55
Gratuity and Leave Encashment		4.25	4.31
		266.40	114.46
SCHEDULE 17: OPERATING & OTHER EXPENSES			
Packing Material		53.53	22.55
Power & Fuel		111.66	47.55
Repairs & Maintenance			
Building	0.01		0.04
Plant & Machinery	0.75		0.21
Others	14.29		6.35
		15.05	6.60
Rent including lease rentals		347.12	154.38
Mall Maintenance Charges		106.56	45.91
Rates & Taxes		9.37	5.51
Donation		0.15	0.01
Insurance		1.87	0.75
Auditors' Remuneration		0.48	0.31
Directors Sitting Fees		0.04	-
Commission		8.07	3.93
Sundry Balances written off		0.35	-
Advertisement & Marketing		146.04	63.04
Loss on Sale/Discarded of Fixed Assets (Net)		8.10	4.06
Other Expenses		135.95	52.56
		944.33	407.16
SCHEDULE 18 : FINANCE CHARGES			
Interest : on Debenture and Fixed Loans		131.72	59.83
others		77.89	27.55
Discounting and Other Charges		30.06	15.78
Exchange Fluctuation (Gain)/ Loss		0.24	(0.08)
		239.71	103.10
Less : Interest Income (TDS : NIL, 2010 NIL)		0.01	0.07
		0.01	0.07
		239.70	103.03

SCHEDULES TO BALANCE SHEET AS AT JUNE 30, 2011

SCHEDULE 5 : FIXED ASSETS

(Rs. In Crores)

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As at 01/07/2010	Additions	Deductions	As at 30/06/2011	Up to 30/06/2010	Adjustment for the year	Depreciation for the year	Up to 30/06/2011	As at 30/06/2011	As at 30/06/2010
Building & Leasehold Improvements	207.02	66.91	4.16	269.77	15.74	0.29	32.18	47.63	222.14	191.28
Plant & Machinery	31.32	6.51	0.58	37.25	0.69	0.03	1.64	2.30	34.95	30.63
Office Equipments	19.15	4.44	0.34	23.25	0.46	0.06	1.10	1.51	21.75	18.69
Computers & Software	151.42	96.63	3.16	244.90	11.20	0.06	27.93	39.06	205.84	140.22
Furniture & Fixings	455.44	223.54	5.35	673.63	13.52	0.32	35.00	48.20	625.44	441.92
Electrical Installations	271.15	103.59	10.24	364.50	6.06	0.57	15.58	21.07	343.43	265.09
Vehicles	0.37	0.53	-	0.90	0.02	-	0.07	0.09	0.81	0.35
Air Conditioners	121.57	29.06	0.86	149.77	2.72	0.05	7.67	10.33	139.44	118.85
Total	1,257.44	531.21	24.69	1,763.97	50.41	1.38	121.17	170.19	1,593.78	1,207.03
Previous Year	-	1,262.29	4.85	1,257.44	-	0.03	50.44	50.41	1,207.03	-
Capital Work in Progress									238.31	224.07

SCHEDULE 19 :SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2011

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The financial statements are prepared under historical cost convention on accrual basis and in accordance with applicable accounting standards notified by the Government of India/issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods. Difference between the actual results and estimates is recognised in the period in which the results are known/materialized.

3. Fixed Assets and Depreciation

Fixed assets are stated at cost, less accumulated depreciation. Cost comprises the purchase price and all attributable cost of bringing the asset to its working condition for its intended use. Financing and other cost relating to acquisition of fixed assets are also included to the extent they relate to the period till such time as the assets are ready for commercial operation. Depreciation is provided on Straight Line Method as per the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 except Leasehold improvements which are amortised over the lease period and employee perquisite- related assets which are depreciated over three years. Intangible Assets are amortised over their useful life not exceeding ten years.

4. Investments

Current investments are carried at lower of cost and fair value. Long-term investments are stated at cost. Provision for diminution is being made if necessary to recognise a decline, other than temporary in the value thereof.

5. Inventories

Inventories are valued as follows :

- a) Packing material : At Cost
- b) Finished goods : At the lower of cost or net realisable value

Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present condition and location. Cost is computed on weighted average basis.

6. Transaction in Foreign Currency

Foreign currency transactions are recorded at the exchange rates prevailing at the date of the transaction. Monetary foreign currency assets and liabilities are translated into Indian rupees at the exchange rate prevailing at the balance sheet date. All exchange differences are dealt with in profit and loss account.

7. Revenue Recognition

Revenue is recognised when it is earned and no significant uncertainty exists as to its realization or collection. Sale of Goods is accounted on delivery to customers. Sales is net of returns, discounts and Value Added Tax. Interest income is recognized on accrual basis.

8. Retirement and other employee benefits

Short Term Employee Benefits:

Short Term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

Post Employment Benefits:

Post employment and other long term employee benefits are recognised as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to Profit and Loss account.

9. Provision for current and deferred tax

- a. Provision for current tax is made on the basis of estimated taxable income for the current accounting period 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 laws that are enacted or substantively enacted as on the balance sheet date.
- b. Tax Expenses comprise of current tax and deferred tax. The provision for current income tax is the aggregate of the provision for 9 months ended March 31,2011 and the estimated provision based on the taxable profit of remaining 3 months upto June 30,2011,the actual tax liability, for which, will be determined on the basis of the results for the period April 1,2011 to March 31,2012.

10. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

11. Impairment of Assets

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Profit & Loss Account in the year in which the asset is impaired and the impairment loss recognised in prior

accounting periods is reversed if there has been a change in the estimate of recoverable amount. For the purpose of assessing impairment, assets are grouped at the lowest level of cash generating units.

12. Leases

Leases where significant portion of risk and reward of ownership are retained by the lessor are classified as operating leases and lease rental thereon are charged to Profit and Loss account.

B. NOTES ON ACCOUNTS

1. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceeding year included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year. Current year figures are for 12 months and are therefore not comparable with the previous year.

2. As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :

A. Change in Present Value of Obligation

(Rs. in Crores)

Particulars	Gratuity (Unfunded)		Leave encashment (Unfunded)	
	As at June 30, 2011	2010	As at June 30, 2011	2010
Present Value of the Obligation as on July 1, 2010	4.54	2.69	3.65	1.49
Interest Cost	0.36	0.11	0.29	0.06
Current Service Cost	2.71	0.90	1.80	0.85
Benefits Paid	0.45	0.06	1.24	0.24
Actuarial (gain)/ loss on obligations	(0.37)	0.90	(0.54)	1.49
Present Value of the Obligation as on June 30, 2011	6.79	4.54	3.96	3.65

B. Amount recognised in the Balance Sheet

(Rs. in Crores)

Particulars	Gratuity (Unfunded)		Leave encashment (Unfunded)	
	As at June 30, 2011	2010	As at June 30, 2011	2010
Present Value of the Obligation as on June 30, 2011	6.79	4.54	3.96	3.65
Fair value of plan assets	NIL	NIL	NIL	NIL
Un-funded Liability	6.79	4.54	3.96	3.65
Unrecognized actuarial gains/ losses	NIL	NIL	NIL	NIL
Un-funded liability recognized in Balance Sheet	6.79	4.54	3.96	3.65

C. Amount recognised in the Profit and Loss Account

(Rs. In Crores)

Particulars	Gratuity		Leave encashment	
	(Unfunded)		(unfunded)	
	2011	2010	2011	2010
Interest Cost	0.36	0.11	0.29	0.06
Current Service Cost	2.71	0.90	1.80	0.85
Expected Return on Plan Assets	N.A.	N.A.	N.A.	N.A.
Actuarial (gain)/ loss on obligations	(0.37)	0.90	(0.54)	1.49
Total expense recognised in the Profit and Loss Account	2.70	1.91	1.55	2.40

D. Reconciliation of Balance Sheet

(Rs. In Crores)

Particulars	Gratuity		Leave encashment	
	(Unfunded)		(unfunded)	
	As at June 30,		As at June 30,	
	2011	2010	2011	2010
Present Value of the Obligation as on July 1, 2010	4.54	2.69	3.65	1.49
Total expense recognised in the Profit and Loss Account	2.70	1.91	1.55	2.40
Benefit paid during the year	0.45	0.06	1.24	0.24
Present Value of the Obligation as on June 30, 2011	6.79	4.54	3.96	3.65

E. The Assumptions used to determine the benefit obligations are as follows :

Particulars	Gratuity	Leave encashment
Discount Rate	8.00%	8.00%
Expected Rate of increase in compensation levels	5.00%	5.00%
Expected Rate of return on plan Assets	NA	NA

The estimate of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, Promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

3. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)
Rs.29.96Crores (2010: 10.11 Crores).

4. Contingent Liabilities

A) Amount outstanding for guarantees given by banks on behalf of the company and group companies is
Rs 9.04 Crores (2010: Rs. 3.49 Crores)

B) Amount outstanding for Corporate guarantee given to banks on behalf of Holding company is Rs.61.32 Crores
(2010 : Rs.NIL)

C) Claims against the company not acknowledged as debts : Rs. 0.24 Crores (2010: Rs.Nil)

5. Secured Loans: Amount Outstanding (Rs. In crore)

A. Non Convertible Debentures

Secured by pari passu first charge on fixed assets (excluding specific fixed assets charged in favour of exclusive charge lender)	}	500.00
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Debentures referred as above are redeemable at par, in one or more installments as follows:
Rs. 250.00 Crores in financial year 2014-15, Rs. 250.00 Crores in 2015-16.

B. Term Loans

Foreign Currency Loans

Secured by pari passu first charge on the fixed assets (excluding specific fixed assets charged in favour of exclusive charge lender), credit card receivables of all the stores and pari passu second charge on current assets	}	8.42
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Rupee Loans

(i) Secured by pari passu first charge on the fixed assets (excluding specific fixed assets charged in favour of exclusive charge lender), credit card receivables of all the stores and pari passu second charge on current assets	}	367.30
(ii) Secured by pari passu first charge on fixed Assets (excluding specific fixed assets charged in favour of exclusive charge lender)	}	269.47
(iii) Secured by pari passu third charge on current Assets & Fixed Assets	}	65.55
(iv) Secured by exclusive charge on specific fixed assets.	}	13.79
(v) Secured by pari passu first charge on companys fixed Assets. (excluding assets charged on exclusive basis to exclusive charge lenders) and Pari passu second charge on current assets excluding deposit	}	81.75

797.86

C. Working Capital Loan

Secured by pari passu first charge on the entire current assets excluding credit card receivables and pari passu second charge on fixed assets and credit card receivables. } 388.23

6. During the year under review, Company has issued 6850, 5% Unsecured Compulsorily Convertible Debentures of Rs. 10 lacs each (CCDs) on private placement basis aggregating to Rs.685 Crores. Each CCD is convertible into Fully Paid Up Equity Shares of the Company either at IPO linked Conversion price or Conversion Long Stop Date linked conversion Price (in case IPO does not happen before long stop date), as specified in the respective Debenture Subscription Agreements executed by the Company with respective subscribers. As per terms of issue, the CCD will convert into equity shares not later than April 17, 2015.

7. Of the unsecured loans, amount repayable within one year is Rs. 180.00 Crores (2010: Rs 80.04 Crores) and of the Secured Loans amount repayable within one year is Rs. 78.70 Crores (2010: Rs. 43.51 Crores).

8. Auditors Remuneration:

(Rs In Crores)

.Particulars	2010-11	2009-10
Audit Fees	0.44	0.28
Tax Audit	0.03	0.03
Other services	0.01	-
TOTAL	0.48	0.31

9. Interest allocated against fixed assets amounts to Rs.19.57 Crores (2010: Rs. 4.94 Crores).

10. The Company has entered into operating lease arrangements for its premises. The future minimum lease rental obligation under non-cancellable operating leases in respect of these assets is Rs.551.31 Crores (2010: 620.01 Crores). The Lease Rent payable not later than one year is Rs.207.53 Crores (2010 : Rs. 223.03 Crores), payable later than one year but not later than five year is Rs.331.91 Crores (2010 : Rs. 373.21 Crores) and payable later than five years is Rs.11.87 Crores (2010 : Rs. 23.77 Crores)

11. The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.

12. Tax Charges

The Tax Expenses for the year comprises of :

(Rs. In Crores)

Income Tax	2010-11	2009-10
Current tax	34.51	12.69
Deferred tax	21.70	11.38
TOTAL	56.21	24.07

13. Related Party Disclosure

Disclosure as required by the accounting Standard 18 "Related Party Disclosure" are given below:

a) List of Related Parties

Holding Company

Pantaloon Retail India Limited

Subsidiary

Future Fresh Foods Limited

Fellow Subsidiaries

1. FSC Brand Distribution Services Limited (Formerly Known as FLSS Distribution Services Limited)
2. Future Agrovet Limited
3. Future Capital Holdings Limited
4. Future E-Commerce Infrastructure Limited
5. Future Knowledge Services Limited
6. Future Learning and Development Limited
7. Future Media (India) Limited
8. Future Mobiles and Accessories Limited (till 29 th June ,2011)
9. Future Supply Chain Solutions Limited (Formerly known as Future Logistic Solutions Limited)
10. Winner Sports Limited
11. Home solution Retail (India) Limited
12. Splendor Fitness Private Limited (Formerly Known as Talwalkars Pantaloon Fitness private Limited)
13. Clarks Future Footwear Limited (till 26 December 2010)

Associate

Galaxy Entertainment Corporation Limited

b) Transaction with related Parties

(Rs. in Crores)

Nature of transactions	Holding Company	Fellow Subsidiaries	Associate Company	Subsidiary
Sales and Operating Income	135.00 (6.34)	15.39 (6.19)	- (0.27)	0.02 (-)
Sale of Fixed Assets	3.06 (0.58)	- (-)	- (-)	- (-)
Purchases	70.75 (256.69)	1041.66 (299.44)	0.02 (0.005)	11.04 (-)
Purchases of Fixed Assets including Capital Work In Progress	2.29 (0.59)	0.47 (11.74)	- (-)	- (-)
Expenditure on services and Others	36.49 (15.16)	6.84 (16.18)	0.66 (0.41)	- (-)
Advance Received	0.24 (-)	0.50 (-)	- (-)	- (-)
Advances given	33.66 (14.74)	0.62 (1.34)	- (-)	- (-)
Deposit Given	0.20 (-)	0.01 (-)	- (-)	- (-)
Outstanding balances as on June 30,2011	56.40	46.94	1.87	-
Receivable	(1.86)	(34.29)	(2.43)	(-)
Payable	0.32 (38.28)	36.45 (62.54)	- (-)	1.26 (-)

*Figure in brackets relate to previous year.

c. Disclosure in respect of material Related Party Transactions during the year :

- i. Sales and Operating Income include Future Media (India) Limited Rs. 11.29 Crores (2010:Rs. 5.06 Crores),Future E-commerce Infrastructure Limited Rs. 2.01 Crores (2010:Rs.0.13 Crores) Future Agrovet Limited Rs.2.01 Crores (2010:Rs.0.73 Crores)
- ii. Purchases include Future Agrovet Limited Rs. 789.23 Crores (2010:Rs.195.66 Crores) and Future Supply Chains Solutions Limited Rs.129.61 Crores (2010: Rs. 47.21 Crores)
- iii. Purchases of Fixed Assets include Future Supply Chains Solutions Limited Rs.0.46 Crores (2010: Rs. 0.97 Crores).
- iv. Expenditure on services and others includes Future Mobile And Accessories Limited Rs.4.53 Crores (2010: Rs. 1.43 Crores) and Home Solutions Retail (India) Limited Rs.0.93 Crores (2010: Rs.Nil) Splendor Fitness Private Limited Rs. 0.70 Crores(2010: Rs. Nil)
- v. Advance received Includes Future E-commerce Infrastructure Limited Rs. 0.50 Crores (2010: Rs.Nil)

- vi. Advance given Includes Future Supply Chains Solutions Limited Rs.0.09 Crores (2010: Rs. Nil), Winner sports Limited Rs. 0.40 crores(2010: year Rs. Nil)
- vii. Deposit given includes Future Media (India) Limited Rs0.01crores(2010: Rs. Nil)

14. Earning Per Share

The calculation of Earning per Share (EPS) as disclosed in the Balance Sheet Abstract has been made in accordance with Accounting Standard (AS-20) on Earning per Share issued by the Institute of Chartered Accountants of India. A statement on calculation of diluted EPS is as under:

Particulars	UNITS	2010-11	2009-10
Profit after tax	Rs.in Crores	113.00	50.60
The Weighted average number of Equity Shares for Basic and Diluted EPS	No.in Crores	6.65	3.62
The Nominal Value per Equity Share	Rs.	10	10
Earning per Equity share (Basic and Diluted)	Rs.	16.99	13.99

15. Deferred Tax Liabilities

As per Accounting Standard (AS-22) on Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India (ICAI), the deferred tax liability (DTL) comprises of the following :

(Rs. In Crores)

Particulars	2010-11	2009-2010
Deferred Tax Liability		
Related to Fixed Assets	81.57	57.73
Deferred Tax Asset		
Disallowances under the Income Tax Act, 1961/Provisions	3.57	1.43
Provision for Deferred Tax (net)	78.00	56.30

16. Sundry Debtors

Sundry Debtors includes amount due from the following companies under the same management

Future Bazaar India Limited Rs.0.47 Crores (2010: Rs. 0.53 Crores), Future Capital Holdings Limited Rs.1.57 Crores (2010: Rs. 2.40 Crores), Future Media (India) Limited Rs. 10.19 Crores (2010: Rs. 6.38 Crores), Future Mobile and Accessories Limited Rs.27.47 Crores (2010: Rs. 20.75 Crores), Pantaloon Retail (India) Limited Rs.22.13 crores(2010:Nil) Future Agrovet Limited Rs. 0.09crores (2010:Nil)

17. Sales, Purchases, Opening And Closing Stock

(Qty. & Value in Crores)

Particulars	Sales		Purchases		Opening Stock		Closing Stock	
	Qty* (In Pcs)	Amount	Qty (In Pcs)	Amount	Qty (In Pcs)	Amount	Qty (In Pcs)	Amount
Apparels/Household Items etc.	15.32 (7.07)	3603.46 (1477.95)	18.11 (11.48)	3203.06 (2002.52)	4.41 (-)	801.59 (-)	7.20 (4.41)	1321.66 (801.59)
Others	- (-)	3172.84 (1447.66)	- (-)	2662.70 (1361.30)	- (-)	319.18 (-)	- (-)	487.08 (319.18)
Total	15.32 (7.07)	6776.30 (2925.61)	18.11 (11.48)	5865.76 (3363.82)	4.41 (-)	1120.77 (-)	7.20 (4.41)	1808.74 (1120.77)

* Sales is inclusive of samples, free gifts, shortages, loss in fire/floods etc.

Figure in brackets relate to previous year

The Company having dealt in a large number of products, quantitative information has been furnished only in respect of major items namely Apparels and Household Items. Other items are grouped together, as quantitative information in respective of each product is not practical to ascertain in view of nature of retailing operation of the Company.

18. Value of Imports (CIF Basis)

(Rs. in Crores)

Particulars	2010-11	2009-10
Finished goods	107.74	22.22
Capital Goods	22.03	3.24

19. Expenditure in foreign currency

(Rs in Crores)

Particulars	2010-11	2009-10
Traveling Expenses	0.41	0.07
Interest on FCNR Loan/Term Loan/Foreign Currency Loan	2.63	0.02
Professional charges	0.48	0.00

20. Earnings in Foreign Currency

(Rs. in Crores)

Particulars	2010-11	2009-10
Earning in foreign currency through credit cards	20.42	9.21

21. The Company regards the business retail as a single reportable segment. Accordingly, Segment information is not being disclosed pursuant to the provision of Accounting Standard 17 on "Segment Reporting".

22. One of our group company, Home Solution Retail (India) Limited, based on legal advice, has challenged the levy of service tax on renting of commercial properties retrospectively from June 1, 2007 by the Finance Act, 2010 before various High Courts. Interim stay from recovery of said service tax has been granted by the various High Courts and the matter is pending. Accordingly, the Company has not made provision of Rs. 35.24 crores(2010: Rs. 23.18 crores) which will be appropriately recognized on final determination.

23. Pursuant to the scheme of Arrangement approved by the Hon'ble High Court of Judicature at Mumbai on April 1,2011,Pantaloon Retail (India) Limited had transferred the format and product brands pertaining to Value Retail Business to the company with effect from January 01,2010("Appointed Date"). Company has filed the certified copy of the court order approving the said Scheme with Registrar of Companies (ROC),Mumbai on June 4,2011 ("Effective Date") as required under applicable provision of the Companies Act ,1956. Accordingly the scheme became effective from the Appointed Date i.e.January 01,2010 on Effective Date i.e. June 4,2011.

As per our Report of even date attached

For NGS & CO.

For and on behalf of Board of Directors

Chartered Accountants

-sd-

-sd-

-sd-

Shailesh Haribhakti
Director

C.P.Toshniwal
Director

Ashni Biyani
Director

-sd-

Navin T. Gupta

-sd-

-sd-

Partner

Rajni Bakshi
Director

Damodar Mall
Executive Director

Membership No. 40334

-sd-

Place : Mumbai

Kuldeep Sharma

Date : 25th August ,2011

Company Secretary & Head-Legal