

Future Learning and Development Limited

Annual Report

2010 - 11

DIRECTORS' REPORT

To,
The Members
Future Learning and Development Ltd

Your Directors are pleased to present the Third Annual Report of the Company for the financial year ended 31st March, 2011.

FINANCIAL HIGHLIGHTS:

Particulars	(Rs.in Lacs)	
	For the year ended 31st March 2011	For the year ended 31st March 2010
Net Sales	-	1,345.22
Other income	6.95	450.89
Total Income	6.95	1,796.12
Expenditure before depreciation	145.16	1,585.47
Depreciation	-	416.42
Total Expenditure	145.16	2,001.89
Profit / (Loss) before tax	(127.57)	(205.77)
Taxations & Provisions	-	(2.49)
Net Profit / (Loss) after tax	(127.57)	(208.27)
Basic EPS (Rs.)	(0.45)	(0.74)

BUSINESS OVERVIEW

During the last year, due to re-alignment of business Company's entire block of fixed assets have been transferred to Future Human Development Limited and as a result of that Company's revenue during this year is NIL as against Rs.13.45 Cr during the previous financial period. However, due to higher interest charges, the Company has incurred a loss of Rs.1.27 Cr as against Rs.2.08 Cr during the previous financial year. Your Company is identifying various potential business opportunities in corporate training & research, professional management programs etc are other areas.

DIVIDEND

In view of loss, your Directors are unable to recommend any dividend for the year under review.

FIXED DEPOSIT

The Company has not accepted any deposit within the meaning of section 58A of the Companies Act, 1956 from public during the year under review.

DIRECTORS

In terms of section 256 of the Companies Act, 1956, Mr. Sanjay Jog would retire at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as Director.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Board of Directors of the Company hereby state and confirmed that:

1. in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
2. the selected accounting policies were applied consistently and the Directors 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 as at 31 March, 2011 and that of the loss of the Company for the year ended on that date;
3. the proper and sufficient care have been taken 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. the annual accounts have been prepared on a 'going concern' basis.

AUDITORS

M/s. NGS & Co., Auditors of the Company, retire at the ensuing Annual General Meeting. 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 appointment of M/s. NGS & Co. as auditors of the Company.

SUBSIDIARY STATUS

The Company is wholly own subsidiary of Pantaloon Retail (India) Limited.

PARTICULARS OF EMPLOYEES

The Company has no employee drawing the salary/ remuneration in excess of the limits specified under section 217(2A) of the Companies Act, 1956.

AUDIT COMMITTEE

Pursuant to the provisions of section 292A of the Companies Act, 1956, the Company has constituted an Audit Committee presently consists of the following directors:

1. Mr. C P Toshniwal - Non-Executive Director
2. Mr. Pankaj Tibrewala - Non-Executive Director
3. Mr. Sanjay Jog - Non-Executive Director

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

A	Conservation of Energy	:	None
B	Technology Absorption	:	Not applicable to the Company since the Company does not have / use any technology.
C	Technology Absorption, adaptation & innovation	:	Not applicable to the Company since the Company does not have / use any technology.
D.	Foreign Exchange Earnings & Outgo	:	
	Activities relating to export /Services	:	None
	Initiative taken to increase exports	:	Not Applicable
	Development of new Export markets for products and services	:	None
	Export Plans	:	Not Applicable
	Foreign Exchange Earned	:	Nil
	Foreign Exchange Spent	:	Rs.88.87 (P.Y. 96.09 Lacs)

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.

ACKNOWLEDGEMENT

The Board desires to place on record, its appreciation to all employees at all level for their dedicated efforts. Your Directors also wish to place on record their appreciation and acknowledge with gratitude the support and co-operation extended by the Government, bankers and other stakeholders and look forward to their continued support.

For and on behalf of the Board of Directors
Future Learning and Development Ltd

Sd/-
C. P. Toshniwal
Director

Sd/-
Sanjay Jog
Director

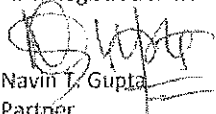
8th August 2011, Mumbai

Auditor's Report

To,
The Members of Future Learning and Development Limited

1. We have audited the attached Balance Sheet of Future Learning and Development Limited as at March 31, 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 (the Order) (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 March 31, 2011, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 notes to accounts 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 March 31, 2011;
 - b) in the case of the profit and loss account, of the loss 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


Navin T. Gupta
Partner
Membership No. 40334



Place : Mumbai
Date : August 8, 2011

NGS & Co.

Chartered Accountants

Annexure to the Auditors' Report of even date to the members of Future Learning and Development Limited, on the financial statements for the year ended March 31, 2011.

- (i) The Company does not have any fixed assets. Accordingly, the provisions of clause 4(i) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 4(ii) of the Order are not applicable.
- (iii) The Company has not granted/taken any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clauses 4(iii) (b) to (g) of the Order are not applicable.
- (iv) There are no transactions of purchase and sale of inventories, fixed assets, goods and services during the year. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. Further, we have not observed any continuing failure to correct major weakness in internal control system of the Company.
- (v) In our opinion, and according to the information and explanations given to us, there are no contracts or arrangements that need to be entered in the register maintained in pursuance of section 301 of the Companies Act, 1956. Therefore, the provisions of clauses 4(v) of the Order are not applicable.
- (vi) The Company has not accepted any deposits from the public within the meaning of sections 58A and 58AA of the Act and the Companies (Acceptance of Deposits) Rules, 1975. Accordingly, the provisions of clause 4(vi) of the Order are not applicable.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- (viii) Since the Company is neither engaged in manufacturing, processing, production and mining activities, to the best of our knowledge and belief, provisions of section 209(1)(d) are not applicable to the Company. Accordingly, the provisions of clause 4(viii) of the Order are not applicable.
- (ix) (a) The Company is generally regular in depositing the 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, as applicable, with the appropriate authorities.
(b) Further, no undisputed amounts payable in respect thereof of were outstanding at the year end for a period of more than six months from the date they become payable except for Professional Tax of Rs 62,958/-.
(c) There are no dues in respect of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess that have not been deposited with the appropriate authorities on account of any dispute.



CONTINUATION SHEET

NGS & Co.
Chartered Accountants

Annexure to the Auditors' Report of even date to the members of Future Learning and Development Limited, on the financial statements for the year ended March 31, 2011.

- (x) The Company has been registered for a period of less than five years. Accordingly, the provisions of clause 4(x) of the Order are not applicable.
- (xi) In our opinion, the Company has not defaulted in repayment of dues to debenture holders during the year. There were no amount payable to financial institutions and banks during the year.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Accordingly, the provisions of clause 4(xiii) of the Order are not applicable.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable.
- (xv) The Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 4(xv) of the Order are not applicable.
- (xvi) The Company did not have any term loans outstanding during the year. Accordingly, the provisions of clause 4(xvi) of the Order are not applicable.
- (xvii) According to Information and explanations given to us and on overall examination of the Balance Sheet and Cash Flow Statement of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clause 4(xviii) of the Order are not applicable.
- (xix) The Company has not issued any debentures during the year. Accordingly, the provisions of clause 4(xix) of the Order are not applicable.
- (xx) The Company has not raised any money by public issues during the year. Accordingly, the provisions of clause 4(xx) of the Order are not applicable.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

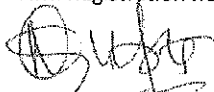


NGS & Co.

Chartered Accountants

Annexure to the Auditors' Report of even date to the members of Future Learning and Development Limited, on the financial statements for the year ended March 31, 2011.

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



Nayin T. Gupta
Partner
Membership No. 40334



Place :Mumbai
Date :August 8,2011

FUTURE LEARNING AND DEVELOPMENT LIMITED
BALANCE SHEET AS AT MARCH 31, 2011

(Rs.in'000)

PARTICULARS	Schedule	As at March 31,2011	As at March 31,2010
I. SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	282,655.50	282,655.50
Share application Money		-	32,000.03
		282,655.50	314,655.53
LOAN FUNDS			
Secured Loans	2	-	68,069.15
Unsecured Loan	3	328,500.00	328,500.00
		611,155.50	711,224.68
II. APPLICATION OF FUNDS			
INVESTMENTS			
	4	-	2,000.00
CURRENT ASSETS, LOANS AND ADVANCES			
Sundry Debtors	5	215,648.41	235,791.53
Cash and Bank Balances	6	413.70	5,385.21
Loans and Advances	7	375,582.94	510,033.40
		591,645.05	751,210.14
LESS: CURRENT LIABILITIES			
Current Liabilities	8	15,626.66	63,318.38
Provisions	9	-	1,047.21
		15,626.66	64,365.59
NET CURRENT ASSETS			
		576,018.39	686,844.55
PROFIT AND LOSS ACCOUNT			
		35,137.11	22,380.13
		611,155.50	711,224.68

SIGNIFICANT ACCOUNTING POLICIES AND NOTES
TO ACCOUNTS

14

As per our Report of even date attached

For NGS & Co.
Chartered Accountants

Navin T. Gupta
Partner
Membership no. 40334



For and on behalf of Board of Directors

Sanjoy Jog
Director

C P Toshniwal
Director

Place : Mumbai
Date : August 8, 2011

FUTURE LEARNING AND DEVELOPMENT LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

(Rs.in'000)

PARTICULARS	Schedule	2010-11	2009-10
INCOME			
Revenue from Services		-	134,522.17
Other Income	10	694.84	45,089.91
		694.84	179,612.08
EXPENDITURE			
Personnel Cost	11	-	54,503.16
Operating and Other Expenses	12	167.50	80,888.86
Finance Charges	13	14,348.12	23,156.25
Depreciation		-	41,641.67
		14,515.62	200,189.94
Loss Before Taxation and Exceptional Items		13,820.78	20,577.86
Less: Excess Provision written back		1,063.80	-
Loss Before Taxation		12,756.98	20,577.86
Less: Provision for Taxation			
a) Current Tax		-	-
b) Deferred Tax		-	249.22
Loss After Tax		12,756.98	20,827.71
Balance brought forward from Previous Year		22,380.12	1,552.42
Balance carried to Balance Sheet		35,137.11	22,380.13
Earning Per Share Rs. (Face Value Rs. 10)			
Basic and Diluted		(0.45)	(0.74)

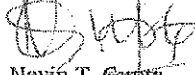
SIGNIFICANT ACCOUNTING POLICIES AND NOTES

14

TO ACCOUNTS

As per our Report of even date attached

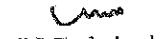
For NGS & Co.
Chartered Accountants


Navin T. Gupta
Partner
Membership no. 40334



For and on behalf of Board of Directors


Sanjoy Jog
Director

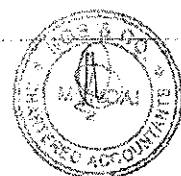

C P Toshniwal
Director

Place : Mumbai
Date : August 8, 2011

FUTURE LEARNING AND DEVELOPMENT LIMITED
SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2011

(Rs. In '000)

PARTICULARS	As at March 31, 2011	As at March 31, 2010
SCHEDULE 1: SHARE CAPITAL		
Authorised		
3,50,00,000 Equity shares of Rs 10 each	350,000.00	350,000.00
	350,000.00	350,000.00
Issued, Subscribed & Paid Up		
2,82,65,550 Equity Shares of Rs 10/- each fully paid up (Of the above 2,82,65,550 shares are held by Pantaloon Retail (India) Limited, holding company including 6 shares held by its nominees).	282,655.50	282,655.50
	282,655.50	282,655.50
SCHEDULE 2: SECURED LOANS		
Term Loans		
Rupees loan from finance company (Secured against hypothecation of assets financed).	-	64,953.96
Working Capital Loans From Banks (Secured against fixed deposits).	-	3,115.19
		68,069.15
SCHEDULE 3: UNSECURED LOANS		
Compulsorily convertible debentures	328,500.00	328,500.00
	328,500.00	328,500.00
SCHEDULE 4: INVESTMENTS		
Long Term-non Trade, Unquoted		
NIL (2,00,000) Equity shares of Future Education Limited of Rs 10/- fully paid up	-	2,000.00
Aggregate Cost of Unquoted Investments	-	2,000.00
SCHEDULE 5: SUNDRY DEBTORS		
(Unsecured, Considered Good)		
Debts Outstanding For More Than Six Months	215,648.41	43.08
Other Debts	-	235,748.45
	215,648.41	235,791.53
SCHEDULE 6: CASH & BANK BALANCES		
Cash in Hand	-	71.45
Balance with Scheduled Banks:		
in Current Accounts	413.70	114.00
in fixed deposit with bank	-	5,199.76
	413.70	5,385.21
SCHEDULE 7: LOANS & ADVANCES		
(Unsecured, Considered good)		
Advances, Recoverable in cash or kind or value to be received	372,979.17	362,839.36
Deposits	-	109,609.77
Share Application money	-	15,000.00
Deduction of Income Tax	2,603.77	2,584.27
	375,582.94	510,033.40
SCHEDULE 8: CURRENT LIABILITIES		
Sundry Creditors	12,736.03	55,375.30
Other liabilities	74.00	4,930.25
Cheques overdrawn	-	378.96
Interest accrued but not due	2,816.63	2,633.87
	15,626.66	63,318.38
SCHEDULE 9: PROVISIONS		
Leave Encashment/Gratuity	-	1,047.21
	-	1,047.21



FUTURE LEARNING AND DEVELOPMENT LIMITED
SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH,31 2011

(Rs. In '000)

PARTICULARS	2010-11	2009-10
SCHEDULE 11: OTHER INCOME		
Profit on Sale of Fixed Assets/CWIP	-	44,791.80
Interest on Fixed Deposit (TDS: Rs 12.44 thousands, 2010: Rs 22.19 thousands)	124.42	221.96
Sundry Balances written off (net)	570.42	-
Miscellaneous Income	-	76.15
	694.84	45,089.91
SCHEDULE 12: PERSONNEL COST		
Salaries, Wages and Bonus	-	50,803.96
Contribution to provident fund and other funds	-	2,314.86
Workmen and staff welfare expense	-	2,264.38
Gratuity and Leave Encashment	-	(880.03)
	-	54,503.17
SCHEDULE 12: OPERATING AND OTHER EXPENSES		
Power and fuel	-	5,526.31
Rent	-	28,315.36
Insurance	-	448.35
Training Costs	-	22,619.14
Repair and Maintenance:		
Building	-	4,062.20
Others	-	1,566.77
Advertisement Expense	-	6,272.79
Travelling & conveyance Expense	-	3,819.30
Guest House Expense	-	1,457.80
Legal Professional Charges	9.38	1,829.02
Auditors' Remuneration	55.15	175.00
Printing & Stationery	-	1,475.79
Bank Charges	101.63	372.60
Miscellaneous Expense	1.34	3,321.03
	167.50	81,261.46
SCHEDULE 14: FINANCE CHARGES		
Interest on Compulsory Convertible Debentures	11,324.92	14,063.75
Interest on Fixed Loan	3,023.20	8,720.14
	14,348.12	22,783.89



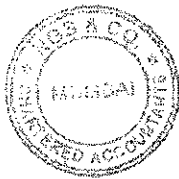
FUTURE LEARNING AND DEVELOPMENT LIMITED
Cash Flow Statement for the Period ended March 31, 2011

Particulars	2010-11 (Rs.in'000)
A Cash Flow From operating Activities	
Net profit before Tax and Extraordinary item	(12,756.98)
Adjustment for:	
Debtors	20,143.12
Loan and advances	134,450.46
current liabilities	(48,738.93)
Net cash from operating Activities	93,097.67
B Cash Flow from Investing Activities	
sale of investment	2,000.00
Net Cash used in Investing Activities	2,000.00
C Cash flow from financing activities	
Repayment of secured loan	(68,069.15)
Share Application Money	(32,000.03)
Net Cash used in financing Activities	(100,069.18)
Net cash used in Cash and Cash equivalent (A+B+C)	(4,971.51)
Cash & Cash equivalent (opening balance)	5,385.21
Cash & Cash equivalent (closing balance)	413.70

1 The Cash Flow Statement has been prepared under the "Indirect Method" as Set out in the "Accounting Standard-3"
Cash flow issued by the Institute of Chartered Accountants of India

As per our Report of even date attached
For NGS & Co.

Chartered Accountants
Nayin T. Gupta
Partner
Membership no. 40334



For and on behalf of Board of Directors

Sanjoy Jog
Director

C P Toshniwal
Director

Place : Mumbai
Date : August 8, 2011

FUTURE LEARNING AND DEVELOPMENT LIMITED

Schedule-14

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2011.

Significant Accounting Policies:

1. Basis of Accounting

The financial statements have been prepared to comply in all material respects with accounting standard notified by the Government of India/issued by Institute of Chartered Accountants in India (ICAI) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis.

2. Intangible Assets & Amortization

Intangible assets are stated at cost of acquisition less accumulated amortization and impairment, in any. The cost comprise of the purchase price. Intangible assets in the nature of Content material are amortized over their estimated useful lives of ten years on a straight line basis.

3. Preliminary and Share Issue Expenditure

Preliminary and Share Issue Expenses are charged to Profit and Loss account in the year in which they are incurred.

4. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest income is recognized pro-rata on accrual basis on the basis of amount outstanding and rate applicable.

5. Cash Flow Statement

Cash Flow Statement is prepared by the "indirect method" set out in Accounting Standard 3 on "Cash Flow Statements" and presents cash flow by operating, investing and financing activities of the Company. Cash and Cash equivalents presented in the Cash Flow Statement consists of cash in hand and cash at Bank.

6. Income Tax

Tax expense comprises of current and deferred tax. Current Income Tax is measured at the amounts expected to be paid to the Tax authorities in accordance with Indian Income Tax Act. Deferred Income taxes reflects the impact of current year timing differences between taxable income and accounting income arising in the current year and reversal of timing differences of earlier years.

Deferred Tax is measured based on the tax rates and the Tax Laws enacted or substantively enacted at the Balance sheet date. Deferred Tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that they can be realized against future taxable profits.



7. **Investments**

Long term investments are valued at their acquisition cost. Any decline in the value of the said investment, other than a temporary decline, is recognized and charged to Profit and Loss account. Current investments are carried at cost or market value whichever is lower.

8. **Provisions and Contingencies**

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

9. **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 asset's net selling price and value in use. In assessing value in use, the Company has measured its 'value in use' on the basis of undiscounted cash flows of next five years projections estimated based on current prices

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

10. **Earnings Per Share:**

The company reports basic and diluted earning per share in accordance with Accounting Standard 20 on "Earning per Share". Basic EPS is computed by dividing the net profit or net loss for the year by weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing net profit or net loss for the year by weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti dilutive.

11. **Foreign currency translation**

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the period are recognised as income or as expenses in the period in which they arise.

A. **Notes to Accounts**

1. Contingent Liabilities not Provided for Rs. Nil (2010 : Rs. Nil).
2. Capital Commitment (net of advances) Rs. Nil (2010: Rs. Nil).
3. Secured loan repayable within one year Rs. Nil (2010: Rs. 64,953.95 thousands).



4. Debts due from Companies under same Management

Sundry Debtors includes amounts due from following companies under the same management within the meaning of sub-section (1B) of Section 370 of the Companies Act, 1956.

(Rs. In '000)

Name of the Company	2010-11	2009-10
Home Solutions Retail (India) Limited	-	638.98
Pantaloon Retail (India) Limited	926.83	3017.68
Future Value Retail Limited	-	4972.30

5. Related Party Disclosure:

A. Names of Related Parties

Holding Company	Pantaloon Retail (India) Limited
Fellow Subsidiary Companies	Home Solutions Retail (India) Limited
	Future Value Retail Limited
	Future Logistic Solutions Limited
	Future Media (India) Limited
	Future E-Commerce Infrastructure Limited
Joint Venture	Future Education Limited

B. Transactions with Related Parties

During the year, following transactions were carried out with the related parties in the ordinary course of business.

(Rs. In '000)

Nature of Transactions	Holding Company	Fellow Subsidiary Companies	Joint Venture
Share Application Money Received	Nil (24,000.00)	Nil (Nil)	Nil (Nil)
Advances Given	Nil (438,500.00)	Nil (83.79)	Nil (15,000.00)
Advances Received	Nil (Nil)	Nil (350,000.00)	Nil (Nil)
Income from Services	Nil (85,672.04)	Nil (45,072.00)	Nil (Nil)
Purchase of Fixed Assets	Nil (33,488.96)	Nil (101,311.28)	Nil (Nil)
Reimbursement of Expenses	Nil (5,691.82)	Nil (1,850.41)	Nil (Nil)



7. Earnings Per Share

The calculation of Earnings per Share (EPS) has been made in accordance with Accounting Standard (AS - 20) on Earning per Share.

	As at March 31, 2011	As at March 31, 2010
Net loss considered for basic EPS calculation (Rs. In '000)	12,756.98	20,827.71
Weighted average number of equity shares for calculating Basic EPS (Nos.)	28,265,550	28,265,550
Weighted average number of equity shares for calculating Diluted EPS (Nos.)	28,265,550	29,637,057
Nominal value per share (Rs.)	10	10
Basic EPS (Rs.)	(0.45)	(0.74)
Diluted EPS (Rs.)	(0.45)	(0.74)

Note: Since the effect of conversion of Convertible debentures is anti-dilutive, it has been ignored for calculation of EPS.

8. Convertible Debentures of Euro 5000 thousand will be converted into 7,349,043 equity share on April 1, 2012. Upto March 31, 2012, these debentures bear interest rate of LIBOR + 300 basis points per annum.
9. Expenditures in foreign currency (on payment basis)

(Rs. In '000)

	For the year ended March 31, 2011	For the year ended March 31, 2010
Interest on Compulsorily Convertible debentures	8887.60	9609.68
Total	8887.60	9609.68

10. Micro, Small and Medium Enterprises

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 amount unpaid as at the and together with interest paid/payable as required under the said Act have not been given.

11. Operating Lease

The Company has entered into operating lease arrangements for premises and motor vehicle. The future minimum lease rental obligations under non-cancellable operating lease is Rs. Nil (2010: Rs. 156,794.74 thousands). Lease rent payable not later than one year is Rs. Nil (2010: Rs. 56,294.37 thousands);



repayable later than one year but not later than five years is Rs. Nil (2010: Rs. 193,016.34 thousands) and repayable later than five year is Nil (2010: Rs. 447,460.23 thousands).

12. Segment Information

Business Segment:

The Company is primarily engaged in the business of training and consultancy services. The Company has considered 'training and consultancy services' as one business segment for disclosure in context of Accounting Standard 17 as referred in the Companies (Accounting Standard) Rules, 2006.

Geographic Segment:

During the year, the company has its business only in India and not in any other country. The condition prevailing in India being uniform, no separate geographical disclosure is considered necessary.

13. Additional information pursuant to the provisions of paragraph 3, 4C and 4D of Part II of the Schedule VI of the Companies Act, 1956 is not provided, to the extent it is Nil or not applicable to the Company.

As per our Report of even date


For NGS & Co.
Chartered Accountants




Navin T. Gupta
Partner
Membership No 40334
Place: Mumbai
Date: August 8, 2011



For and on behalf of the Board of Directors



Sanjoy Jog
Director



C.P. Toshniwal
Director