

Future Supply Chain Solutions Limited

Annual Accounts
2010-11

future group
india tomorrow

Directors' Report

To,
The Members
Future Supply Chain Solutions Limited

Directors of your Company are pleased to present the Sixth Annual Report of the Company for the financial year ended 31st March 2011.

FINANCIALS

	(Rs. in Crore)	
	For the year ended 31 March 2011	For the year ended 31 March 2010
Operational Income	291.88	196.72
Other income	1.97	6.65
Total Income	293.85	203.37
Depreciation	12.05	13.68
Other Expenditure	281.48	188.67
Total expenditure	293.53	202.35
Profit before tax	0.32	1.02
Tax and Provisions	0.16	0.78
Profit after tax	0.17	0.24
Earnings Per Share-Basic (Rs.)	0.06	0.09

BUSINESS OVERVIEW

The revenue increased to Rs. 291.88 Crore as against Rs. 196.72 Crore during the previous year. However, the net profit came down to Rs. 0.17 Crore as against Rs.0.24 Crore during the previous year.

GROWTH AND EXPANSION

During the year under review, the Company could succeed to add more clients outside the Group with considerable volume. The Company has been constantly striving to get more business of supply management from other reputed corporate and also exploring the 3PL (Third Party Logistic) opportunities. The Company has been focussing on the food and FMCG sourcing and distribution chain and has added significant value in the business of the food category. Apart from that, the Company is developing a high-tech large DC at Mihan, Nagpur which will serve the clients' requirements in a very efficient manner. The Company is also evaluating various requirements for the structure of its DCs evolving fully automation and semi-automation at major locations across the region which would help the Company to bring accuracy and efficiency in the operations. The management is very convinced and optimistic about the prospects of the business of the Company.

AMENDMENT AGREEMENT

After the close of the financial year under review, the Company entered into Second Tranche Subscription and Amendment Agreement with Pantaloon Retail (India) Limited, Promoter and SKC 1 Limited, a part of Li & Fung Group – a globally recognized Group in sourcing and supply chain management.

SHARE CAPITAL

After the closure of financial year under review, the authorised share capital of the Company was increased from Rs.35 Crore to Rs.40 Crore.

After the close of the financial year under review, the Company converted, on request of the holder, the existing compulsory convertible debentures (CCDs) into equity shares in the Company aggregating to Rs.50 Crore. Further, the Board also allotted new equity shares aggregating to Rs.88.13 Crore. With these, the paid up share capital is increased to Rs.39.14 Crore.

DIVIDEND

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

FIXED DEPOSIT

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

HOLDING COMPANY

The Company is a subsidiary of Pantaloon Retail (India) Limited, a leading organised retailer in the country.

SUBSIDIARY

The financial statements together with Directors' Report and Auditors' Report of Company's subsidiary FSC Brand Distribution Services Limited (formerly known as FLSL Distribution Services Limited) are enclosed with this report. Further, a statement as required pursuant to the provisions of section 212 of the Companies Act, 1956 in respect of said subsidiary is enclosed herewith as Annexure – I.

DIRECTORS

In terms of section 256 of the Companies Act, 1956, Mr. Anshuman Singh, Director of the Company, retires at the ensuing Annual General Meeting of the Company. However, being eligible, he 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, it is hereby confirmed:

1. that in the preparation of the Annual Accounts for the financial year ended 31st March, 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 year ended 31st March, 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 31st March, 2011 on a 'going concern' basis.

AUDIT COMMITTEE

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

1. Mr. C P Toshniwal
2. Mr. Rakesh Biyani
3. Mr. Rajesh Ranavat

AUDITORS

M/s. NGS & Co; Chartered Accountants, Auditors of the Company who retire at the forthcoming Annual General Meeting are eligible for re-appointment and have expressed their willingness to accept office as such. The Company has received a certificate from them to the effect that the 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.

AUDITORS' OBSERVATIONS

The Auditors' report contained observation under clause (xvii) in annexure to their Report; in respect of usage of Rs.926.48 lacs raised for short term basis were actually utilized for long term investment. The management clarifies that "*With a view to complete projected business plans, short term resources were utilised for incurring capital expenses for the business of the Company in anticipation of mobilizing long term resources in near future.*"

PARTICULARS OF EMPLOYEES

A 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.

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:*

There is no expenditure on R&D, Technology Absorption, adoption & innovation during the financial year under report. The Company being catering to retail sector & being in service industry, does not have any specific exports initiatives to report to members.

Foreign Exchange Earnings & Outgo	(Rs. In lacs)	
	2010-11	2009-10
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo:		
Travel	14.99	4.16
Professional Fees	19.74	58.78
Freight	881.88	367.08

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

Your Directors desire to place on record, their appreciation to all employees at all levels, who during the year under review, with sustained dedicated effort, enabled the Company to deliver a good performance.

Your Directors also 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 of
Future Supply Chain Solutions Limited


Anshuman Singh C P Toshniwal
Managing Director Director

Mumbai, 13th July 2011

FUTURE SUPPLY CHAIN SOLUTIONS 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)

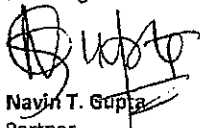
Name of the subsidiary company	FSC Brand Distribution Services Ltd.
1. Financial period of subsidiary ended on	31 st March 2011
2. Date from which it became subsidiary	19/12/2008
3. a) Number of shares held by the Company	50,000 Equity Shares of Rs.10/- each fully paid up
b) Extent of holding at the end of the financial year of the subsidiary company	100%
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	(405.24)
ii. For the previous financial years of the subsidiary company since they became the holding company's subsidiary	(244.98)
b) Dealt with in holding Company's accounts	
i. For the financial year ended 31/03/2011	NIL
ii. For the previous financial years of the subsidiary company since they became the holding company's subsidiary	NIL

NGS & Co.
Chartered Accountants

To,
The Members of Future Supply Chain Solutions Limited

1. We have audited the attached Balance Sheet of **Future Supply Chain Solutions 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 (collectively referred as the 'financial statements'). 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 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 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 (the 'Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. **We report that -**
 - a. 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;
 - b. 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;
 - c. The financial statements dealt with by this report are in agreement with the books of account;
 - d. In our opinion the financial statements dealt with by this report comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 and the Rules made there under;
 - e. On the basis of written representations received from the directors, as on **March 31, 2011** and taken on record by the Board of Directors, we report that 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 Act;
 - f. In our opinion and to the best of our information and according to the explanations given to us, the financial statements dealt with by this report give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, in the case of:
 - i) the Balance Sheet, of the state of affairs of the Company as at **March 31, 2011**;
 - ii) the Profit and Loss Account, of the profit for the year ended on that date; and
 - iii) the 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



Mumbai
July 13, 2011.

Annexure to the Auditors' Report of even date to the members of Future Supply Chain Solutions Limited, on the financial statements for the year ended March 31, 2011.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) In our opinion, a substantial part of fixed assets has not been disposed off during the year.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 4(ii) of the Order are not applicable to the Company during the year under audit.
- (iii)(a) 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 to the Company during the year under audit.
- (iv) In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. There were no transactions for purchase of inventories and sale of goods.
- (v) (a) The Company has not entered into contracts or arrangements referred to in section 301 of the Act. Accordingly, the provisions of clause 4(v) of the Order are not applicable to the Company during the year under audit.
- (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 to the Company during the year under audit.
- (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) Since the Company is not engaged in manufacturing, processing, production and mining activities to the best of our knowledge and belief, provision of section 209(1)(d) are not applicable to the Company. Accordingly, the provisions of clause 4(viii) of the Order are not applicable to the Company during the year under audit.
- (ix) (a) The Company is regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, service tax, custom duty, excise duty, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year end for a period of more than six months from the date they become payable.
- (b) 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.
- (x) In our opinion, the Company's accumulated losses at the end of the financial year are less than fifty per cent of its net worth. Further the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.




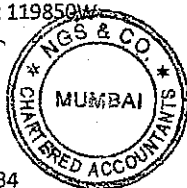
NGS & Co.
Chartered Accountants

Annexure to the Auditors' Report of even date to the members of Future Supply Chain Solutions Limited, on the financial statements for the year ended March 31, 2011.

- (xi) Based on our audit procedures and as per the information and explanations given by management, we are of the opinion that the Company has not defaulted in repayment of dues to banks. There were no dues payable to financial institutions or debenture holders.
- (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 to the Company during the year under audit.
- (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 to the Company during the year under audit.
- (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 to the Company during the year under audit.
- (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 to the Company during the year under audit.
- (xvi) In our opinion, the Company has applied the term loans for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on overall examination of the Balance Sheet and Cash Flow Statement of the Company, we report that *the Company has used funds raised on short term basis amounting to Rs. 926.48 lacs for long term investments.*
- (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 to the Company during the year under audit.
- (xix) The Company has unsecured debentures outstanding during the year on which no security or charge is required to be created.
- (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 to the Company.
- (xxi) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as per representation given by the Company and relied on by us, we have neither come across any instances of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such cases by the management.

For NGS & Co
Chartered Accountants
Firm Registration No.: 119850W


Navin T. Gupta
Partner
Membership No. 40334



Mumbai
July 13, 2011.

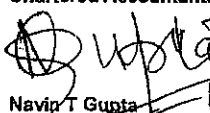

FUTURE SUPPLY CHAIN SOLUTIONS LIMITED
BALANCE SHEET AS AT MARCH 31, 2011

Particulars	Schedule	As at March 31, 2011 (Rs. in lacs)	As at March 31, 2010 (Rs. in lacs)
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	2,896.30	2,896.30
Reserves and Surplus	2	3,703.70	3,703.70
		<u>6,600.00</u>	<u>6,600.00</u>
LOAN FUNDS			
Secured Loans	3	7,469.53	3,188.54
Unsecured Loans	4	5,000.00	5,000.00
		<u>19,069.53</u>	<u>14,788.54</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	5	15,000.93	10,552.40
Less : Accumulated Depreciation		2,991.36	1,919.56
Net Block		<u>12,009.57</u>	<u>8,632.84</u>
Capital Work-in-Progress (including advances)		111.05	74.86
		<u>12,120.62</u>	<u>8,707.70</u>
DEFERRED TAX ASSETS		98.39	114.62
INVESTMENTS	6	6.00	5.00
CURRENT ASSETS, LOANS AND ADVANCES			
Sundry Debtors	7	10,188.77	7,664.66
Cash and Bank Balances	8	782.29	1,146.70
Loans and Advances	9	2,613.91	2,210.79
		<u>13,564.97</u>	<u>11,022.15</u>
LESS : CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities	10	6,986.94	5,382.57
Provisions	11	108.75	70.27
		<u>7,094.69</u>	<u>5,452.84</u>
NET CURRENT ASSETS		6,470.28	5,569.31
PROFIT AND LOSS ACCOUNT		375.24	391.91
		<u>19,069.53</u>	<u>14,788.54</u>
Significant Accounting Policies and Notes on Accounts	16		

The schedules referred to above and Notes on Accounts form an integral part of the Balance Sheet

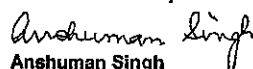
As per our report of even date

For N G S & Co.
Chartered Accountants



 Navin T Gupta
 (Partner)
 Membership No. 40334
 Place: Mumbai

Date: 13 JUL 2011

For and on behalf of the Board of Directors of
Future Supply Chain Solutions Ltd.


 Anshuman Singh
 (Managing Director & CEO)


 C P Toshniwal
 (Director)


 Birendra Agrawal
 (Chief Financial Officer)


 Vimal Dhruve
 (Company Secretary)





FUTURE SUPPLY CHAIN SOLUTIONS LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

Particulars	Schedule	For the year ended on March 31, 2011 (Rs. In lacs)	For the year ended on March 31, 2010 (Rs. in lacs)
INCOME			
Revenue from Services		29,188.27	19,672.56
Other Income	12	197.17	664.89
Total		29,385.44	20,337.45
EXPENDITURE			
Cost of Services		20,914.94	13,909.01
Personnel cost	13	3,649.90	2,617.41
Administration and Other Expenses	14	3,062.76	1,906.83
Finance Charges	15	519.89	433.81
Depreciation		1,205.05	1,368.22
Total		29,352.54	20,235.28
Profit before Tax		32.90	102.17
Provision for Tax			
a) Current Tax	6.10		(17.36)
Less: MAT Credit Entitlement	6.10	-	-
b) Deferred Tax		(16.23)	(61.10)
Profit After Taxation		16.67	23.71
Add: Balance brought forward		(391.91)	(415.62)
Balance carried to Balance Sheet		(375.24)	(391.91)
Earning per share (Rs.) (Face value of Rs. 10/-)			
Basic		0.06	0.09
Diluted		0.05	0.07
Significant Accounting Policies and Notes on Accounts	16		

The schedules referred to above and Notes on Accounts form an integral part of the Profit and Loss Account

As per our report of even date

For N G S & Co.
Chartered Accountants

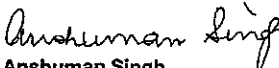


 Navin T Gupta
 (Partner)


Membership No. 40334

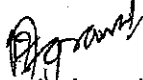
Place: Mumbai

Date: 11 3 JUL 2011

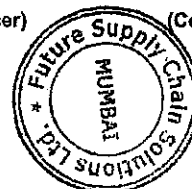
For and on behalf of the Board of Directors of
Future Supply Chain Solutions Ltd.


 Anshuman Singh
 (Managing Director & CEO)


 C P Toshniwal
 (Director)

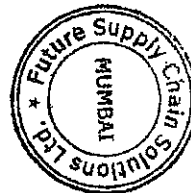

 Birendra Agrawal
 (Chief Financial Officer)


 Vimal Dhruve
 (Company Secretary)



FUTURE SUPPLY CHAIN SOLUTIONS LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET

Particulars	As at March 31, 2011 (Rs. in lacs)	As at March 31, 2010 (Rs. in lacs)
<u>SCHEDULE 1 : SHARE CAPITAL</u>		
AUTHORISED		
35,000,000 Equity Shares of Rs. 10 each.	3,500.00	3,500.00
	<u>3,500.00</u>	<u>3,500.00</u>
<u>ISSUED, SUBSCRIBED & PAID UP</u>		
28,962,962 Equity Shares of Rs. 10 each fully paid up	2,896.30	2,896.30
Of the above		
(i) 2,74,62,956 shares are held by Pantaloon Retail (India) Limited, the Holding Company		
(ii) 6 shares are jointly held with nominees of Pantaloon Retail (India) Limited		
	<u>2,896.30</u>	<u>2,896.30</u>
<u>SCHEDULE 2 : RESERVES AND SURPLUS</u>		
Share Premium	3,703.70	3,703.70
	<u>3,703.70</u>	<u>3,703.70</u>
<u>SCHEDULE 3 : SECURED LOAN</u>		
<u>Loans From Bank</u>		
Rupee Term Loans	5,538.33	2,479.24
Working Capital Facilities	1,931.20	709.30
	<u>7,469.53</u>	<u>3,188.54</u>
<u>SCHEDULE 4 : UNSECURED LOANS</u>		
Short Term		
<u>Debentures</u>		
50,00,000 Zero Coupon Fully Convertible Debentures of Rs. 100 each	5,000.00	5,000.00
	<u>5,000.00</u>	<u>5,000.00</u>



**FUTURE SUPPLY CHAIN SOLUTIONS LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET**

SCHEDULE 5: FIXED ASSETS

Description	(Rs. in lacs)									
	Gross Block					Depreciation			Net Block	
	As at 01.04.2010	Additions	Deductions	As at 31.03.2011	Upto 01.04.2010	Adjustment For the Year	Depreciation For The Year	Up to 31.03.2011	As At 31.03.2011	As At 31.03.2010
A: TANGIBLE ASSETS										
Leasehold Improvements	891.61	45.27	34.75	902.13	701.59	34.75	74.33	741.17	160.96	190.02
Plant and Machinery	5,650.16	2,814.05	4.72	8,459.49	420.99	0.22	477.56	898.33	7,561.16	5,229.17
Electrical Installations	1,155.08	510.97	97.72	1,568.33	158.38	97.72	162.65	223.31	1,345.02	996.70
Computers	1,356.52	355.98	0.56	1,711.94	443.38	0.56	252.94	695.76	1,016.18	913.14
Furniture and Fixture	479.98	733.22	-	1,213.20	72.80	-	75.86	148.66	1,064.54	407.18
Office Equipments	125.12	47.30	-	172.42	15.97	-	16.57	32.54	139.88	109.15
Total A	9,658.47	4,506.79	137.75	14,027.51	1,813.11	133.25	1,059.91	2,739.77	11,287.74	7,845.36
B: INTANGIBLE ASSETS										
Software	793.93	79.49	-	873.42	85.92	-	135.14	221.06	652.36	708.01
Exclusive Business Right	100.00	-	-	100.00	20.53	-	10.00	30.53	69.47	79.47
Total B	893.93	79.49	-	973.42	106.45	-	145.14	251.59	721.83	787.48
GRAND TOTAL (A+B)	10,552.40	4,586.28	137.75	15,000.93	1,919.56	133.25	1,205.05	2,991.36	12,009.57	8,632.84
Previous Year	8,471.59	2,696.59	615.78	10,552.40	1,161.26	609.92	1,368.22	1,919.56	8,632.84	7,310.33

Capital Work in Progress Rs. 111.05 lac (2010: Rs. 74.86 lac) includes advance of Rs. 41.73 lac (2010: Rs. 62.51 lac)



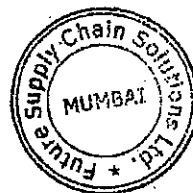
FUTURE SUPPLY CHAIN SOLUTIONS LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET

Particulars	As at March 31, 2011 (Rs. in lacs)	As at March 31, 2010 (Rs. in lacs)
<u>SCHEDULE 6 : INVESTMENTS</u>		
<u>Non Trade Investments</u>		
(Long Term, Unquoted)		
Investment in Subsidiary Company		
50000 Equity Shares of FL.SL Distribution Services Limited		
Rs. 10 each fully paid up		
	5.00	5.00
Aggregate cost of unquoted investments	5.00	5.00
<u>SCHEDULE 7 : SUNDRY DEBTORS</u>		
(Unsecured, Considered Good)		
Over Six Months	60.04	795.62
Others	10,128.73	6,869.04
	10,188.77	7,664.66
<u>SCHEDULE 8 : CASH AND BANK BALANCES</u>		
Cash on Hand	38.26	16.55
Balance with Scheduled Banks:		
In Current Accounts	647.78	53.89
In Fixed Deposit Account	76.25	1,076.26
	762.29	1,146.70
<u>SCHEDULE 9: LOANS & ADVANCES</u>		
(Unsecured, Considered Good)		
Advances Recoverable In cash or in kind or for value to be received	441.74	379.26
Deposits	2,126.00	1,360.29
Payment/Deduction of Taxes (Net of Provisions)	46.17	471.24
	2,613.91	2,210.79
<u>SCHEDULE 10: CURRENT LIABILITIES</u>		
Sundry Creditors:		
For Expenses	6,307.78	4,766.09
For Capital Goods	188.57	377.00
Advances from Customers	2.38	1.47
Other Liabilities	487.21	238.01
	6,985.94	5,382.57
<u>SCHEDULE 11: PROVISIONS</u>		
Leave Encashment and Gratuity	108.75	70.27
	108.75	70.27



SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

Particulars	For the year ended on March 31, 2011 (Rs. in lacs)	For the Year ended on March 31, 2010 (Rs. in lacs)
SCHEDULE 12: OTHER INCOME		
Business Auxiliary Services	21.49	0.64
Profit on Sale of Fixed Assets	0.68	558.71
Miscellaneous Income	86.87	59.53
Interest on Income Tax Refund	75.57	-
Interest on Fixed Deposit	10.49	45.29
(Tax deducted at source Rs. 1.08 Lac (2010: Rs 4.36)		
Gain on Foreign Exchange	2.07	0.72
	<u>197.17</u>	<u>664.89</u>
SCHEDULE 13: PERSONNEL COST		
Salaries, Wages and Bonus	3,183.65	2,290.23
Contribution to Provident and Other Funds	134.68	87.41
Gratuity and Leave Encashment	58.99	19.29
Staff Welfare Expenses	272.58	220.48
	<u>3,649.90</u>	<u>2,617.41</u>
SCHEDULE 14: ADMINISTRATION AND OTHER EXPENSES		
Power and Fuel	318.23	261.83
Office Rent	139.93	164.23
Rates and Taxes	6.97	11.42
Insurance	55.65	36.03
Repairs and Maintenance:		
Plant and Machinery	113.05	63.07
Others	170.92	103.16
Advertisement and Sales Promotion	65.37	19.57
Travelling and Conveyance Expenses	609.49	286.02
Communication Expenses	227.60	218.63
Legal and Professional Charges	308.20	94.57
Auditors' Remuneration	5.47	3.83
Security Charges	647.26	459.43
Share and Debenture Issue Expenses	-	31.63
Bad Debts	122.58	-
Provision for Doubtful Deposit	24.29	-
Other Expenses	247.75	153.41
	<u>3,062.76</u>	<u>1,906.83</u>
SCHEDULE 15 : FINANCE CHARGES		
Interest on		
- Fixed Loans	219.89	288.27
- Other Loans	143.29	57.71
Bill Discounting Charges	149.35	79.86
Bank Charges	7.36	7.97
	<u>519.89</u>	<u>433.81</u>



FUTURE SUPPLY CHAIN SOLUTIONS LIMITED
Cash Flow Statement for the year ended March 31, 2011

Particulars	For the year ended on March 31, 2011 (Rs. in lacs)	For the year ended on March 31, 2010 (Rs. in lacs)
A Cash Flow from Operating Activities		
Net Profit/(Loss) Before Tax	32.90	102.17
Adjustments for :		
Depreciation and Amortisation	1,205.05	1,368.22
Profit on Sales of Assets	(0.68)	(558.71)
Interest and Finance Charges (Net)	519.89	433.81
Operating profit before working capital changes	1,757.16	1,345.49
Adjustments for :		
Trade and Other Receivable	(2,524.12)	(1,641.15)
Loans and Advances	(403.12)	23.57
Trade Payables	1,603.37	(4,736.09)
Other Payables	38.48	11.36
Cash generated from operations	471.77	(4,996.82)
B Cash Flow From Investing Activities		
Purchase of Fixed Assets / Advances for Capital Goods	(4,622.47)	(2,582.96)
Sale of Fixed Assets	5.18	564.57
Net Cash used in Investing Activities	(4,617.29)	(2,018.39)
C Cash Flow from Financing Activities		
Proceeds from Issue of Share Capital	-	4,100.00
Share Application Money received	-	(100.00)
Proceeds from Long Term Borrowing	4,281.00	4,485.42
Interest & Finance Charges (Net)	(519.89)	(433.81)
Net Cash from financing activities	3,761.11	8,051.61
Net increase/(Decrease) in Cash and Cash Equivalent (A+B+C)	(384.41)	1,036.40
Cash & Cash Equivalents (At the beginning of the year)	1,146.70	110.30
Cash & Cash Equivalents (At the end of the year)	762.29	1,146.70

Note:

- 1) Cash Flow statement has been prepared under the 'Indirect Method' as set out in the AS-3 'Cash Flow Statements' as specified in the Companies (Accounting Standards) Rules, 2006
- 2) Purchase of Fixed Assets includes movement of capital work in progress during the year.

As per our report of even date

For NGS & Co.
Chartered Accountants


Navin T Gupta
(Partner)

Membership No. 40334

Place: Mumbai

Date: 13 JUL 2011



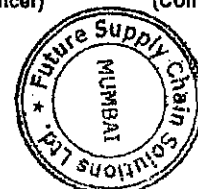
For and on behalf of the Board of Directors of
Future Supply Chain Solutions Ltd.


Anshuman Singh
(Managing Director & CEO)


C P Toshniwal
(Director)


Birendra Agrawal
(Chief Financial Officer)


Vimal Dhruve
(Company Secretary)



FUTURE SUPPLY CHAIN SOLUTIONS LIMITED

SCHEDULE - 16

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

1. SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF PREPARATION:

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies Accounting Standard Rules, 2006 and the relevant provisions of the Companies Act ('The Act'), 1956. The financial statements have been prepared under the historical cost convention on the accrual basis of accounting except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company.

b) 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 the disclosure of contingent liabilities on the date of the financial statements.

Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

c) FIXED ASSETS

Tangible Assets :

Tangible Assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation. Cost comprises purchase price and costs attributable to bring the asset to its location and working condition for its intended use.

Intangible Assets :

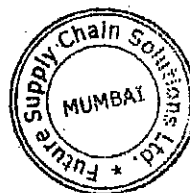
Intangible Assets are stated at cost of acquisition less amortisation.

Financing 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 to put to use.

d) DEPRECIATION

Depreciation on tangible assets is provided using straight line method at the rates prescribed under Schedule XIV of the Companies Act, 1956. Depreciation is provided pro-rata for the period of use on all additions, except leasehold improvements which are amortised over the leasehold period and employee requisite - related assets which are depreciated over three years.

Intangible assets like software and exclusive business rights are amortised over six and ten years respectively.



e) INVESTMENT

Long term Investments are stated at cost. Provision for diminution in value is made only if, in the opinion of management such a decline is other than temporary.

Investment intended to be held for not more than a year are classified as current Investment and valued at lower of cost and fair value determined on an individual investment basis.

f) REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.

Revenue from Services:

Revenue from Services rendered is recognized as the service is performed based on agreements/arrangements with the concerned parties.

Interest:

Interest is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

g) POST EMPLOYMENT BENEFITS

i. Defined Contribution Plan:

Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the period when the contributions to the respective funds are due.

ii Defined Benefit Plan:

Gratuity Liability for eligible employees are defined benefit obligation and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial period. Obligation is measured at the present value of estimated future cash flows using discounted rate that is determined by reference to market yields at the Balance Sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimated terms of the defined benefit obligation.

iii Long Term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

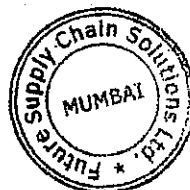
iv Actuarial gains / losses are immediately taken to Profit and Loss account and are not deferred.

h) LEASES

Lease payments are recognized as an expense in the Profit and Loss account as per the terms of agreement which is representative of the time pattern of the user's benefit.

i) TAXATION

Tax expense comprise of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflect 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 substantially enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is 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 carry forward Tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

j) EARNING PER SHARE:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

k) PRELIMINARY AND SHARE ISSUE EXPENSES:

Preliminary and share issue expenses are charged off to the Profit and Loss account when incurred.

l) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

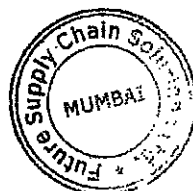
Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes to accounts. Contingent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

m) IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Profit and 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.

n) TRANSACTIONS 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.



2. NOTES TO THE ACCOUNTS

a) Contingent Liability:

- i) Estimated amounts of contracts remaining to be executed on capital account and not provided for, net of advances aggregate Rs. 420.09 Lacs. (2010: Rs. 598.31 Lacs)
- ii) Bank Guarantees outstanding Rs. NIL (2010: Rs. 25.00 Lacs)
- iii) Claims against company not acknowledged as debt Rs. NIL (2010: Rs. 110.00 Lacs)
- iv) Bill discounting Rs. 3,084.53 Lacs (2010: Rs. 1,885.34 Lacs)

b) Secured Loans:

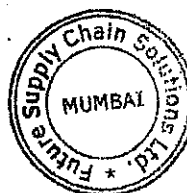
Term Loan is secured by first charge on fixed assets and personal guarantee of one of the directors.

Working capital loan is secured by first charge on entire current assets, second charge on fixed assets and personal guarantee of one of the directors.

Amount of Secured loan repayable within one year Rs. 575 Lacs (2010: Rs. 450 Lacs)

- c) Zero Coupon Fully Convertible Debentures of face value Rs. 100 each is convertible into equity shares of face value Rs. 10/- per share. The same has been converted into 36,83,241 equity shares after completion of the current accounting year at a premium of Rs. 125.75 per share on June 9, 2011 pursuant to the Second Tranche Subscription and Amendment Agreement dated May 26 2011.
- d) Revenue from Services includes Rs. 4,022.84 Lacs (2010: Rs. 3,391.92 Lacs) being rent income, while Cost of Services includes Rs. 3,504.13 Lacs (2010: Rs. 2,707.48 Lacs) being Rent Paid.
- e) (i) Depreciation for the year includes Rs. NIL (2010 : Rs. 541.94) for prior period relating to assets individually costing less than Rs.5,000/-.

(ii) Depreciation for the year includes Rs. 94.58 Lacs (2010 : Rs. 64.43 Lacs) being assets written off due to closure of Warehouses during the year.
- f) Fixed Deposits with bank amounting to Rs. NIL (2010 : Rs. 6.25 Lacs) are under lien for the guarantees given by bank on behalf of the company.
- g) Balances shown due to / from sundry creditors and sundry debtors are subject to confirmations.



- h) 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 Lacs)

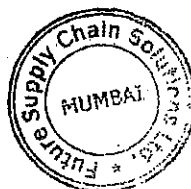
Sr No.	Name of the company	March 31, 2011	March 31, 2010
1	Pantaloon Retail India Limited	4,090.75	1,144.99
2	Home Solutions Retail India Ltd	-	3,350.75
3	Future Agrovet Limited	-	87.70
4	Future Bazaar India Ltd	0.74	0.74
5	Future E Commerce Infrastructure Ltd	58.28	-
6	Future Axiom Telecom Limited	1.02	-
7	Future Consumer Products Ltd	4.81	4.93
8	Future Freshfoods Limited	50.59	-
9	Clarks Future Footwear Limited	14.69	-
10	Winner Sports Ltd	-	1.14
11	Future Value Retail Ltd	3,318.77	1,848.81
12	FLSL Distribution Services Limited	55.02	25.29
13	Goldmohur Design and Apparel Park Limited	2.01	-

- i) 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 year end together with interest payable as required under the said Act has not been given.

j) Related Party disclosures

Relationships (Related Party relationships are as identified by the Company and relied upon by the Auditors)

- (i) Holding Company - Pantaloon Retail (India) Limited.
- (ii) Subsidiary Company - FLSL Distribution Services Limited.
- (iii) Fellow Subsidiaries -
- Future Agrovet Limited.
 - Future Knowledge Services Limited.
 - Future E-Commerce Infrastructure Limited.
 - Future Consumer Enterprise Limited.
 - Future Value Retail Limited.
 - Future Freshfoods Limited.
- (iv) Key Management Personnel - Anshuman Singh (Managing Director and CEO)



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

(Rs. in Lacs)

Nature of Transactions	Holding Company	Fellow Subsidiaries	Subsidiary Company	Key Management Personnel
Share Application Money Received / Paid	- (4,000.00)	- (-)	- (-)	- (-)
Share Allotment	- (296.30)	- (-)	- (-)	- (100.00)
Share Premium	- (3,703.70)	- (-)	- (-)	- (-)
Purchase of Fixed Assets	1,527.81 (6.20)	(-) (366.95)	- (-)	- (-)
Services Rendered	10,118.82 (10,593.83)	14,596.57 (8,013.59)	56.10 (23.05)	- (-)
Services Received	- (-)	149.60 (251.67)	- (-)	- (-)
Reimbursement of Expenses (Net)	1,562.64 (45.55)	- (-)	- (2.24)	- (-)
Remuneration	- (-)	- (-)	- (-)	119.75 (81.73)
Balances Payable	- (-)	1,220.50 (115.55)	- (-)	- (-)
Balances Receivable	3,951.36 (1,144.99)	4,681.88 (5,293.3)	80.02 (25.29)	- (-)

Note: Figures in brackets relate to previous year

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

1. Services Rendered includes services rendered to Future Value Retail Limited Rs. 14,347.45 Lacs (2010: 2502.46 Lacs).
2. Service Received includes Future E- Commerce India Limited Rs. 132.12 Lacs (2010: 104.60 Lacs) and Future Value Retail Limited Rs. 17.48 Lacs (2010:11.17 Lacs).

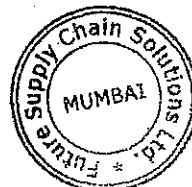
Note: Figures in brackets relate to previous year

k) Deferred tax liability

As per AS-22 on Accounting for Taxes on income, the deferred tax liability comprises of the following:

(Rs. In Lacs)

Particulars	2010-11	2009-10
Deferred Tax Liability		
Related to Fixed Assets	670.15	466.72
	670.15	466.72
Deferred Tax Assets		
Disallowances under the Income Tax Act, 1961/ Provisions	48.76	27.26
Carry forward losses/ unabsorbed depreciation	719.78	554.08
	768.54	581.34
Deferred Tax Assets (Net)	98.39	114.62



l) Payment to Auditors

(Rs. In Lacs)

Fees (excluding service tax)	2010-11	2009-10
Statutory Audit Fees	3.50	2.50
Tax Audit Fees	0.25	0.25
Other Matters	1.72	1.08
Reimbursement of Expenses	-	-
Total	5.47	3.83

m) Computation of Earnings Per Share

Particulars	2010-11	2009-10
Profit (Loss) after tax (Rs. In Lacs)	16.67	23.71
Weighted average number of equity shares outstanding during the period - Basic	2,89,62,962	27,572,602
Weighted average number of equity shares outstanding during the period - Diluted	3,26,46,203	34,785,887
Earnings per share of Rs.10/- each		
- Basic	0.06	0.09
- Diluted	0.05	0.07

n) Lease

The Company has entered into operating lease arrangements for offices/warehouses. The future minimum lease rental obligation under non-cancellable operating leases in respect of these assets is Rs. 2,885.64 Lacs (2010 : Rs. 3,546.42 Lacs). The Lease Rent payable not later than one year is Rs. 3,879.30 Lacs (2010 : Rs. 2,759.72 Lacs), payable later than one year but not later than five year is Rs. 8,657.74 Lacs (2010 : Rs. 7,472.39 Lacs) and payable later than five years is Rs. 2,122.01 Lacs (2010 : Rs. 3,133.95 Lacs)

o) Value of Imports (on CIF basis)

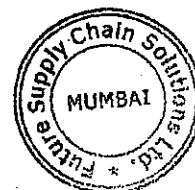
(Rs. in Lacs)

Particulars	2010-11	2009-10
Capital Goods	314.52	10.10

p) Expenditure in Foreign Currency

(Rs. in Lacs)

Particulars	2010-11	2009-10
Travel	14.99	4.16
Professional Fees	19.74	58.78
Freight	881.88	367.08



- q) i) Particulars of remuneration and other benefits provided to directors for the year ended 31st March 2011 are set out below.

Particulars	(Rs. In Lacs)	
	2010-11	2009-10
Salary and Perquisites	119.75	81.73

Note: As the future liability towards gratuity and Leave encashment is provided on an actuarial basis for the company as a whole, amount pertaining to the Directors is not ascertainable and therefore not included in above.

- ii) Computation of Net Profit in accordance with Section 309(5) of the Companies Act, 1956 :

Particulars	(Rs. In Lacs)	
	2011	2010
Profit before taxes and exceptional items	32.90	102.17
Add :		
a) Managerial Remuneration	119.43	81.41
b) Provisional for doubtful deposit	24.29	-
	176.62	183.58
Less :		
a) profit on sale of fixed assets	0.68	558.71
	0.68	558.71
Net Profit as per section 309(5) of the companies Act, 1956	175.94	(375.13)

Remuneration mentioned above is in excess of limits prescribed under Schedule XIII of the Companies Act, 1956. As required under the said Schedule the Company had made application to Central Government for the approval of remuneration, which was initially rejected. The Company has once again submitted the representation letter for reconsideration of the decision to Central Government. Response to the representation letter is yet to be received.

- r) Disclosure pursuant to Accounting Standard 15 – Employee Benefits

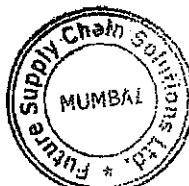
Defined Contribution Plan

Amount recognised as an expenses and included in Schedule 12 under the head 'Contribution to Provident and Other Funds' of Profit & Loss account Rs. 134.68 Lacs (2010: Rs. 87.41 Lacs).

Defined Benefit Plan

Reconciliation of Opening and Closing balances of Defined Benefit Plan

	(Rs. in Lacs)			
	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2010-11	2009-10	2010-11	2009-10
Present value of obligation at the beginning of the year	41.57	34.82	28.71	23.37
Current service cost	26.52	15.17	18.25	11.40
Interest cost	3.32	2.79	2.29	1.87
Actuarial (gain)/Loss	(1.13)	(8.95)	2.79	(1.32)
Benefits paid	(1.72)	(2.26)	(11.85)	(6.61)
Present value of obligation at the end of the year	68.56	41.57	40.19	28.71



Reconciliation of Opening and Closing balances of Fair value of plan assets

(Rs. in Lacs)

	Gratuity (Funded)	
	2010-11	2009-10
Fair value of plan assets at the beginning of the year	20.64	20.86
Expected return on plan assets	1.82	1.67
Actuarial gain/(loss)	-	0.37
Benefits paid	(1.72)	(2.26)
Fair value of plan assets at the end the year	20.73	20.64

Reconciliation of fair value of assets and obligation

(Rs. in Lacs)

	Gratuity Funded		Leave Encashment	
	2010-11	2009-10	2010-11	2009-10
Present value of obligation	68.56	41.57	40.19	28.71
Less: Fair Value of the plan assets	(20.73)	(20.64)	-	-
Liability Recognised in the Balance sheet	47.83	20.93	40.19	28.71

Expenses recognised in the Profit & Loss

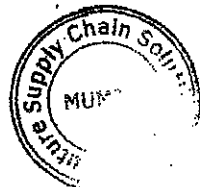
(Rs. in Lacs)

	Gratuity (Funded)		Leave Encashment	
	2010-11	2009-10	2010-11	2009-10
Current service cost	26.52	15.17	18.25	11.40
Interest cost	3.32	2.79	2.29	1.87
Expected return on plan assets	(1.82)	(1.67)	-	-
Actuarial (gain)/Loss	(1.13)	(8.95)	2.79	(1.32)
Net Cost	26.89	7.34	23.33	11.95

The principle assumptions used in the actuarial valuation are as below

	Gratuity (Funded)		Leave Encashment	
	2010-11	2009-10	2010-11	2009-10
Discounted rate (per annum)	8%	8%	8%	8%
Expected rate of future salary increase	5%	4%	5%	4%


- s) Necessary provisions are made for present obligations that arise out of events prior to the balance sheet date entailing future outflow of economic resources. Such provisions reflect best estimates based on available information.



- t) The company is engaged only in Logistic business and there are no separate reportable segments as per Accounting Standard 17 on "Segment Reporting". The operations of the company are only within india and accordingly no disclosure is made in respect of the secondary segment.
- u) The High Courts of various states have granted an interim stay against recovery of service tax on renting of immovable property arising out of amendment to section 65(105) (zzzz) retrospectively from June 1, 2006 introduced by Finance Act 2010. Accordingly no provision has been made for Rs. 670.61 Lacs (2010: Rs.295.78 Lacs) towards service tax liability.
- v) In the cases where the tenants have protested levy of service tax and contended that they are covered by the judgements of various courts, the company has not charged/received service tax on the rent from the tenants and accordingly, the same has not been deposited with Government Treasury.
- As at March 31, 2011, the amount of such service tax (excluding interest and penalty) not received from the tenants is Rs. 1,177.27 Lacs (March 31, 2010: Rs. 762.91 Lacs).
- w) Interest allocated against fixed assets amounts to Rs. 54.01 Lacs (2010: Rs. Nil)
- x) Previous Year's figures have been regrouped wherever necessary only to confirm to the current year's presentation.
- y) Additional information pursuant to para 3(a); 4C and 4D of Part II to Schedule VI of the Companies Act, 1956 has not been disclosed to the extent not applicable or nil during the year.

As per our report of even date

For N G S & CO.
Chartered Accountants


Navin T. Gupta
[Partner]

Membership No. 40334

Place : Mumbai


Date : **13 JUL 2011**



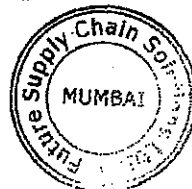
For and on behalf of the Board of Directors of
Future Supply Chain Solutions Ltd.


Anshuman Singh
[Managing Director & CEO]


Birendra Agrawal
[Chief Financial Officer]


C. P. Toshniwal
[Director]


Vimal Dhruve
[Company Secretary]



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(In terms of Part IV of schedule VI)

I Registration Details

Registration No.	<input type="text" value="1604376"/>	State Code	<input type="text" value="11"/>
Balance Sheet Date	<input type="text" value="31.03.2011"/>		

II Capital raised during the year (Amount in Rs. in Thousands)

Public Issue	<input type="text" value="-"/>	Right Issue	<input type="text" value="-"/>
Bonus Issue	<input type="text" value="-"/>	Private Placement	<input type="text" value="-"/>

III Position of Mobilisation and deployment of Funds (Amount in Rs. Thousand)

Total Liabilities	<input type="text" value="1,906,953"/>	Total Assets	<input type="text" value="1,906,953"/>
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Sources of Funds

Paid up Capital	<input type="text" value="289,630"/>	Share Application Money	<input type="text" value="-"/>
Reserves & Surplus	<input type="text" value="370,370"/>	Secured Loans	<input type="text" value="746,953"/>
Unsecured Loans	<input type="text" value="500,000"/>	Deferred Tax Liability	<input type="text" value="-"/>

Application of Funds

Net Fixed Assets (Including Capital WIP)	<input type="text" value="1,212,062"/>	Investments	<input type="text" value="600"/>
Net Current Assets	<input type="text" value="647,028"/>	Deferred Tax Asset	<input type="text" value="9,839"/>
Accumulated Losses	<input type="text" value="37,524"/>	Misc. Expenditure	<input type="text" value="-"/>

IV Performance of Company (Amount in Rs. Thousand)

Turnover and Other Income	<input type="text" value="2,938,544"/>	Total expenditure	<input type="text" value="2,935,254"/>
Profit (Loss) before Tax	<input type="text" value="3,290"/>	Profit (Loss) After tax	<input type="text" value="1,667"/>
Earning per share In Rs.	<input type="text" value="0.06"/>	Dividend @ %	<input type="text" value="-"/>

V Generic Names of Three Principal Products / Services of Company (as per monetary terms)

Item Code (ITC Code)	<input type="text" value="Nil"/>
Product Description	<input type="text" value="Logistics Services"/>

For and on behalf of the Board of Directors of
Future Supply Chain Solutions Ltd.

Place: Mumbai

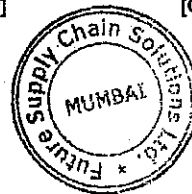
Date: 11 3 JUL 2011

Anshuman Singh
Anshuman Singh
[Managing Director & CEO]

Birendra Agrawal
Birendra Agrawal
[Chief Financial Officer]

C. P. Toshniwal
C. P. Toshniwal
[Director]

Vimal Dhruve
Vimal Dhruve
[Company Secretary]



ANNEXURE II

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

Particulars	Employee
Name	: Mr. Anshuman Singh
Designation of the employee	: MD & CEO
Remuneration paid (Rs.)	: 1,28,00,000/-
Nature of duties	: Management & Operation
Other Terms and conditions	: None
Qualification of the employee	: B.E.; MBA
Experience of the employee (yrs)	: 20
Date of commencement of employment	: 1 Nov. 2006
Date of leaving	: N.A.
Age of the employee	: 42
Last employment held by such employee	: Welspun Retail Ltd.
% of equity shares held by the employee	: 2.56

Notes:

1. The employee has adequate experience to discharge the responsibilities assigned to hm.
2. The nature of employment is contractual.
3. The above employee is a director of the Company.