

DIRECTORS' REPORT

Dear Members,

Your Directors present the Fifth Annual Report on the affairs of the Company together with the audited statement of accounts for the year ended 31st March, 2010.

FINANCIAL HIGHLIGHTS

Particulars	(Amount in Rs.)	
	Year Ended 31 st March, 2010	Year Ended 31 st March, 2009
Amenities Charges	37,477,293	37,125,011
Lease Rentals	83,901,024	79,364,987
Other Income	1,007,832	14,48,944
Total Income	122,386,149	117,938,942
Administration and other expenses	7,849,799	8,137,203
Financial Expenses	55,032,149	102,497,849
Depreciation / Amortization	12,416,816	12,361,420
Total Expenditure	75,298,764	122,996,472
Profit/(Loss) before taxation and prior period items	47,087,385	(5,057,530)
Add: Prior period item	-	1,947,653
Provision for taxation :		
Current Tax	-	-
MAT	7,000,000	-
MAT Credit Entitlement	(7,000,000)	584,320
Fringe Benefit Tax	-	-
Deferred Tax	(6,790,361)	-
Profit/(loss) after tax	53,877,744	(3,694,197)
Balance brought forward from Previous year / period	(24,336,070)	(20,641,873)
Balance carried to Balance Sheet	29,541,674	(24,336,070)

The total income of the Company during the year stood at Rs. 122,386,149/- and the profit after tax was Rs. 53,877,744/-.

DIVIDEND

Your Directors consider it prudent to conserve the resources and therefore do not recommend any dividend on equity shares for the financial under review.



DIRECTORS

In terms of Article 145 of the Articles of Association of the Company, Mr. N. Shridhar, Director, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting. Approval of Members is being sought at the ensuing Annual General Meeting.

The Board of Directors appointed Mr. Krishan Kant Rathi and Mr. Chetan Gandhi as the Additional Directors with effect from 3rd May, 2010. In terms of Section 260 of the Companies Act, 1956 and Article 130 of the Articles of Association of the Company, Mr. Krishan Kant Rathi and Mr. Chetan Gandhi hold office as the Additional Directors up to the date of ensuing Annual General Meeting of the Company and are eligible for appointment as the Directors. The Company has received requisite notice(s) together with deposit(s), as provided under Section 257 of the Companies Act, 1956, from a Member proposing the appointment of Mr. Krishan Kant Rathi and Mr. Chetan Gandhi. Approval of Members is being sought at the ensuing Annual General Meeting.

The Board of Directors had also appointed Mr. Rajesh Doshi as an Additional Director with effect from 24th December, 2009. Due to his resignation Mr. Doshi ceased to be the Director of the Company with effect from 3rd May, 2010.

During the year under review, Mr. Sanjeev Dasgupta resigned from the Board of Directors of the Company with effect from 24th December, 2009.

Your Directors place on record their appreciation for the services rendered by the aforesaid Directors who resigned from the Board of Directors of the Company, during their association with the Company.

Based on confirmations received, none of the Director is disqualified for appointment under Section 274(1) (g) of the Companies Act, 1956.

AUDITORS & AUDITORS' REPORT

M/s. S. R. Batliboi & Co., Chartered Accountants, holds office until the conclusion of the ensuing Annual General Meeting and have expressed their willingness to continue, if so appointed. As required under the provisions of Section 224 of the Companies Act, 1956, the Company has obtained a written certificate from the Auditors proposed to be re-appointed to the effect that their re-appointment, if made, would be in conformity with the limits specified in the said Section and that they are not disqualified for such appointment within the meaning of Section 226 of the Companies Act, 1956.

A proposal seeking their re-appointment is provided as part of the Notice of the ensuing Annual General Meeting.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the public during the year under review and neither does it intend to raise any public deposits during the current financial year.



PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, EXPENDITURE ON RESEARCH AND DEVELOPMENT, FOREIGN EXCHANGE INFLOW/OUTFLOW, ETC.

The requirements of disclosure with regard to Conservation of Energy in terms of Section 217(1)(e) of the Act read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are not applicable to the Company.

The Company's activities do not require any technology to be absorbed on the lines of what is mentioned in the aforesaid Rules. However the Company makes all efforts towards conservation of energy, environment and ensuring safety.

During the financial year under review, the Company has neither earned nor spent any foreign exchange.

PARTICULARS OF EMPLOYEES

There are no particulars to be disclosed in respect of employees drawing remuneration requiring disclosure under Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) that in the preparation of the annual accounts for the financial year ended 31st March, 2010, the applicable accounting standards have been followed;
- b) 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 profit of the Company for the year;
- c) 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 fraud and other irregularities;
- d) that the Directors have prepared the annual accounts for the financial year ending 31st March, 2010, on a going concern basis.

COMPLIANCE CERTIFICATE UNDER SECTION 383A OF THE COMPANIES ACT, 1956

The Compliance Certificate under Section 383A of the Companies Act, 1956 issued by Ms. Chitra Iyer, Company Secretary in Practice, for the year ended 31st March 2010, is attached and forms part of this report. (Annexure - A)



Auditors' Report

To
The Members of Myra Mall Management Company Limited

1. We have audited the attached Balance Sheet of Myra Mall Management Company Limited (the 'Company') as at March 31, 2010 and also the Profit and Loss account and the Cash Flow Statements 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 March 31, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.



S.R. BATLIBOI & CO.

Chartered Accountants

Myra Mall Management Company Limited
Audit report for the year ended March 31, 2010
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- vi. In our opinion and to the best of our information and according to the explanations given to us, the said 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, 2010;
 - 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.

S. Batliboi
For S.R. Batliboi & Co.
Chartered Accountants
Firm registration No.: 301003E

Hemal
per Hemal Shah
Partner
Membership No.: 42650



Mumbai
24th May, 2010

Myra Mall Management Company Limited
Audit report for the year ended March 31, 2010
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Annexure referred to in paragraph 3 of our report of even date
Re: Myra Mall Management Company Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There was no disposal of fixed assets during the year.
- (ii) The Company did not have any inventory therefore provisions of Clause 4(ii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (iii) As informed, the Company does not have any parties covered under section 301 of the Companies Act, 1956 and hence clause 4 (iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, 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.
- (v) As informed, the Company does not have any parties covered under section 301 of the Companies Act, 1956 and hence clause 4 (v) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- (vi) The Company has not accepted any deposits from the public.
- (vii) The Company has an internal audit system commensurate with its size and nature of its business.
- (viii) To the best of our knowledge and as informed to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including sales-tax, income-tax, wealth-tax, service tax, cess and other material statutory dues applicable to it. The provisions relating to provident fund, employees' state insurance, customs duty and excise duty are not applicable to the Company. There are no dues payable to the, investor education and protection fund.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of sales tax, income-tax, wealth-tax, service tax, and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of income tax, sales-tax, wealth tax, service tax and cess which have not been deposited on account of any dispute.

The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.



S.R. BATLIBOI & CO.

Chartered Accountants

Myra Mall Management Company Limited
Audit report for the year ended March 31, 2010
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- (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 institution, bank or 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, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) 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. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from banks or financial institutions.
- (xvi) The Company did not have any term loans outstanding during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been prima facie used for long-term investment.
- (xviii) As informed, the Company does not have any parties covered under section 301 of the Companies Act, 1956 and hence clause 4 (xviii) of the Order is not applicable to the Company.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) As informed to us, the Company has not raised any money by way of public issues during the year. Hence the provision of clause 4 (xx) of the Companies (Auditors' Report) Order, 2003 (as amended) is not applicable to the Company.
- (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.

S.R. Batliboi & Co.

For S.R. Batliboi & Co.
Chartered Accountants
Firm registration No.: 301003E

Hemal Shah

per Hemal Shah
Partner
Membership No: 42650



Mumbai,
24th May, 2010

MYRA MALL MANAGEMENT COMPANY LIMITED
Balance Sheet as at March 31, 2010

	Schedules	As at March 31, 2010	Amount in Rs As at March 31, 2009
<u>SOURCES OF FUNDS</u>			
Shareholders' Fund :			
Share capital	1	10,000,000	10,000,000
Reserves and Surplus		<u>29,541,674</u>	<u>-</u>
		39,541,674	10,000,000
Loan Funds:			
Secured loans	2	597,147,620	-
Unsecured loans	3	<u>77,580,794</u>	<u>671,679,121</u>
		674,728,414	671,679,121
TOTAL		<u><u>714,270,088</u></u>	<u><u>681,679,121</u></u>
<u>APPLICATION OF FUNDS</u>			
Fixed Assets			
Gross block	4	754,741,644	754,724,380
Less: Accumulated depreciation		<u>41,997,366</u>	<u>29,580,550</u>
Net block		712,744,278	725,143,830
Capital work in progress (including capital advances)		<u>1,838,658</u>	<u>-</u>
		714,582,936	725,143,830
Deferred tax assets (net)		17,686,128	10,895,767
Investments	5	60,000,000	-
Current Assets, Loans and Advances			
Sundry debtors	6	6,206,259	5,119
Cash on hand and bank balance	7	719,337	1,641,768
Loans and advances	8	<u>42,873,000</u>	<u>32,741,652</u>
		49,798,596	34,388,539
Less : Current liabilities			
Current liabilities	9	127,797,572	113,085,086
Net Current Assets		(77,998,976)	(78,696,547)
Profit and Loss Account		-	24,336,071
TOTAL		<u><u>714,270,088</u></u>	<u><u>681,679,121</u></u>

Notes to Accounts

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The schedules referred to above and notes to accounts form an integral part of the Balance Sheet.

As per our report of even date

S.R. Batliboi No.
 For S. R. Batliboi & Co.
 Firm Registration No. 301003E
 Chartered Accountants

per Hensal Shah
 Partner
 Membership No. 42650

Place : Mumbai

Date: 24 MAY 2010



For and on behalf of the Board of Directors
 Myra Mall Management Company Limited

[Signature]
 Director

[Signature]
 Director

Place : Mumbai

Date: 24 MAY 2010



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MYRA MALL MANAGEMENT COMPANY LIMITED
Profit and Loss account for the year ended March 31, 2010

Particulars	Schedules	Year ended March 31, 2010	Amount in Rs Year ended March 31, 2009
<u>Income from operations</u>			
Amenities charge		41,910,324	41,649,614
Less: Service Tax		<u>4,433,031</u>	<u>4,524,603</u>
Net Amenities Rentals		37,477,293	37,125,011
[TDS Rs. 2,58,516/- ; (Previous year : Rs. 36,02,123/-)]			
Lease rentals		92,199,259	88,858,827
Less: Service Tax		<u>8,298,235</u>	<u>9,493,846</u>
Net Lease Rentals		83,901,024	79,364,987
[TDS Rs. 7,03,124/- ; (Previous year : Rs. 77,75,454/-)]			
Other Income	10	1,007,832	1,448,944
Total		<u>122,386,149</u>	<u>117,938,942</u>
<u>Expenditure</u>			
Administrative & other expenses	11	7,849,799	8,137,203
Depreciation	4	12,416,816	12,361,420
Financial expenses	12	55,032,149	102,497,849
Total		<u>75,298,764</u>	<u>122,996,472</u>
Profit / (loss) before tax and before prior period items		47,087,385	(5,057,530)
Add: Prior period items		-	1,947,653
Profit / (loss) before tax after and after prior period items		47,087,385	(3,109,877)
Provision for taxation			
Current tax		-	-
MAT		7,000,000	-
MAT credit entitlement		(7,000,000)	584,320
Deferred tax		(6,790,361)	-
Fringe benefit tax		-	-
		<u>(6,790,361)</u>	<u>584,320</u>
Profit / (Loss) after tax		53,877,744	(3,694,197)
Balance brought forward from previous year		<u>(24,336,070)</u>	<u>(20,641,873)</u>
Balance carried to Balance Sheet		<u>29,541,674</u>	<u>(24,336,070)</u>
Earnings per share [Basic and diluted]		53.88	(3.69)
[Nominal value per share Rs. 10]			
Weighted average number of shares		1,000,000	1,000,000
(Refer B-4 of Schedule 13)			

Notes to Accounts

13

The schedules referred to above and notes to accounts form an integral part of the Profit & Loss Account

As per report of even date

S.R. Batliboi & Co.
 For S. R. Batliboi & Co.
 Firm Registration No. 301003E
 Chartered Accountants

per Hemal Shah
 Partner
 Membership No. 42650

Place: Mumbai
 Date:

24 MAY 2010



For and on behalf of the Board of Directors of
 Myra Mall Management Company Limited

[Signature]
 Director

[Signature]
 Director

Place: Mumbai
 Date:

24 MAY 2010



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Myra Mall Management Company Limited
Cash Flow Statement for the year ended March 31, 2010

	For the year ended March 31, 2010	For the year ended March 31, 2009
A. Cash Flow from Operating Activities		
Net Profit/(Loss) before Tax	47,087,385	(3,109,877)
<u>Adjustments:</u>		
Depreciation	12,416,816	12,361,420
Interest paid	55,032,149	102,497,849
Excess provision written back	-	(500,403)
Operating profit before Working Capital Changes	114,536,350	111,248,989
<u>Adjusted for changes in working capital:</u>		
(Increase)/ Decrease in Sundry debtors	(6,201,140)	9,154
(Increase)/ Decrease in Loans and advances	(4,567,885)	(3,330,106)
(Decrease)/ Increase in Current liabilities	14,712,486	21,149,773
Cash from Operating Activities	118,479,811	129,077,810
Taxes paid	(5,563,464)	(11,377,551)
Net Cash from Operating Activities (A)	112,916,347	117,700,259
B. Cash Flow from Investing Activities		
Purchase of fixed assets	(1,855,922)	(1,190,541)
Purchase of investments	(60,000,000)	-
Net Cash from Investing Activities (B)	(61,855,922)	(1,190,541)
C. Cash flow From Financing Activities		
Interest paid	(55,032,149)	(102,497,849)
Proceeds from long term borrowings	135,500,000	-
Repayment of long term borrowings	-	(554,000,000)
Proceeds from short term borrowings	597,147,620	538,781,309
Repayment of short term borrowings	(729,598,327)	-
Net Cash Flow from financing activities (C)	(51,982,856)	(117,716,540)
Net Increase in Cash and Cash Equivalent during the Year (A+B+C)	(922,431)	(1,206,822)
Cash and Cash equivalents at the beginning of the year	1,641,768	2,848,590
Cash and Cash equivalents at the end of the year	719,337	1,641,768
Components of cash and cash equivalents		
Cash on hand	-	204
Balance with scheduled banks on current account	719,337	1,641,564
	719,337	1,641,768

As per our report of even date

S.R. Batliboi & Co.
 For S. R. Batliboi & Co.
 Firm Registration No. 301003E
 Chartered Accountants

Hemal Shah
 per Hemal Shah
 Partner
 Membership No. 42650



For and on behalf of the Board of Directors of
 Myra Mall Management Company Limited

[Signature]
 Director

[Signature]
 Director

Place : Mumbai

Date : 24 MAY 2010

Place : Mumbai

Date : 24 MAY 2010



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MYRA MALL MANAGEMENT COMPANY LIMITED
Schedules forming part of the Balance Sheet

Amount in Rupees

	As at March 31, 2010	As at March 31, 2009
Schedule 1 : Share Capital		
Authorised:		
1,000,000 (Previous year: 1,000,000) equity shares of Rs. 10/- each	10,000,000	10,000,000
	<u>10,000,000</u>	<u>10,000,000</u>
Issued, Subscribed & Paid-Up Capital		
1,000,000 (Previous year: 1,000,000) equity shares of Rs. 10/- each fully paid up	10,000,000	10,000,000
[Out of the above 999,994 (Previous year: 999,994) shares are held by the Holding Company: viz. Future Capital Holdings Limited]		
	<u>10,000,000</u>	<u>10,000,000</u>
Schedule 2 : Secured Loans		
Overdraft from a bank	597,147,620	-
Secured by pledge of mutual fund units 65,055,849 (Previous year: Nil) aggregating Rs. 597,147,620 (Previous year : Rs. Nil) held by the holding company.		
[Repayable within one year Rs. 597,147,620 (Previous year: Rs. Nil)]	<u>597,147,620</u>	<u>-</u>
Schedule 3 : Unsecured Loans		
From body corporate	77,580,794	671,679,121
[Repayable within one year Rs. 18,149,232 (Previous year: Rs. 671,670,121)]	<u>77,580,794</u>	<u>671,679,121</u>



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MYRA MALL MANAGEMENT COMPANY LIMITED
Schedules forming part of the Balance Sheet

	As at March 31, 2010	Amount in Rupees As at March 31, 2009
Schedule 5 : Investments		
Long term investments (At Cost)		
Shares (Unquoted)		
Equity shares of Rs 100 each fully paid in Ayati Investment Advisors Pvt. Ltd.	60,000,000	-
	<u>60,000,000</u>	<u>-</u>
Schedule 6 : Sundry Debtors		
(Unsecured, considered good)		
Debts outstanding for a period exceeding six months	-	-
Other debts	6,206,259	5,119
	<u>6,206,259</u>	<u>5,119</u>
Schedule 7 : Cash and Bank Balances		
Cash on hand	-	204
Balance with scheduled banks on current account	719,337	1,641,564
	<u>719,337</u>	<u>1,641,768</u>
Schedule 8 : Loans and Advances		
(Unsecured Considered Good)		
Deposits	1,684,950	1,684,950
Advances recoverable in cash or kind	21,086,165	3,432,549
Advance tax & Tax deducted at source (net of provision for taxes)	20,101,885	27,624,153
	<u>42,873,000</u>	<u>32,741,652</u>
Schedule 9 : Current Liabilities and Provision		
Security deposits	114,531,615	110,885,535
Sundry creditors	5,120,166	460,303
Other liabilities	8,145,791	1,739,248
	<u>127,797,572</u>	<u>113,085,086</u>



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MYRA MALL MANAGEMENT COMPANY LIMITED
Schedules forming part of the Profit and Loss Account

	For the year ended March 31, 2010	Amount in Rupees For the year ended March 31, 2009
Schedule 10: Other income		
Dividend on mutual funds	8,610	-
Interest on income tax refund	973,718	-
Miscellaneous income	25,505	948,541
Arre back of excess provision	-	500,403
	<u>1,007,832</u>	<u>1,448,944</u>
Schedule 11: Administrative and Other Expenditures		
Rates and taxes	4,158,426	3,168,649
Insurance charges	320,063	208,579
Repairs and maintenance - Buildings	1,501,466	2,313,848
Repairs and maintenance - other	208,341	464,582
Printing and stationery	1,612	-
Legal and professional	134,135	246,644
Auditor's Remuneration		
Audit Fees	76,648	82,725
Tax Audit Fees	-	-
Security charges	1,022,751	1,279,569
Electricity expenses	296,328	304,521
Water charges	130,029	36,320
Telecom charges	-	14,746
Miscellaneous expenses	-	17,020
	<u>7,849,799</u>	<u>8,137,203</u>
Schedule 12: Financial Expenses		
Interest paid - bank	26,993,722	-
Interest paid - Others	25,037,973	102,497,849
Bank charges	3,000,454	-
	<u>55,032,149</u>	<u>102,497,849</u>



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SCHEDULE 13 – NOTES TO ACCOUNTS

Nature of Operations

Myra Mall Management Company Limited was incorporated on March 2, 2006 and is involved in the business of acquiring, improving, building, selling leasing, managing, commercially exploiting and dealing in real estate and properties of diverse natures. Myra Mall Management Company Limited is a wholly owned subsidiary of Future Capital Holdings Limited.

A. Significant Accounting Policies

1. **Basis of preparation**

The financial statements have been prepared to comply in all material respects with the Notified accounting standard by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

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 end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

3. **Fixed assets**

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use

Fixed assets costing Rs 5,000 or less individually are fully depreciated in the year of purchase.

Depreciation

Depreciation is provided using the Straight Line Method as per the useful lives of the assets estimated by the management, or at the rates prescribed under schedule XIV of the Companies Act, 1956 whichever is higher.

Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.



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SCHEDULE 13 – NOTES TO ACCOUNTS

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

4. **Leases**

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Profit and Loss Account on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Profit and Loss Account. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Profit and Loss Account.

5. **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.

Lease rentals are recognized as an income in the profit and loss account on a straight line basis over the primary lease period, net of service tax.

Amenities charges are recognized in accordance with the arrangements entered into with the lessees, net of service tax.

6. **Income taxes**

Tax expense comprises 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. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the 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 and deferred tax liabilities across various countries of operation are not set off against each other as the company does not have a legal right to do so. Deferred tax assets are recognised 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 realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.



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SCHEDULE 13 – NOTES TO ACCOUNTS

7. Earnings per share

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

8. Provisions

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

9. Borrowing cost

Borrowing cost attributable to the acquisition, construction or production of qualifying assets are capitalized till the month in which the asset is ready for its intended use. Other borrowing costs are recognized as an expense in the period in which these are incurred.

B. NOTES TO ACCOUNTS

1. Deferred Tax Liabilities/ Assets

	As at March 31, 2010 (Rs.)	As at March 31, 2009 (Rs.)
Deferred tax liabilities		
On depreciation	239,356	274,244
Sub-Total	239,356	274,244
Deferred tax assets		
On preliminary expenditure	-	-
On Unabsorbed losses and depreciation	17,925,484	11,170,011
Sub-Total	17,925,484	11,170,011
Deferred tax (assets)/ liabilities (net)	(17,686,128)	(10,895,767)

In view of the contractual arrangements for lease rentals and amenities income with various lessees' office premises owned by the company, there is a virtual certainty that there would be profit against which the deferred tax assets would be realized. Accordingly, deferred tax assets in respect of unabsorbed losses and depreciation have been recognized. However on the basis of prudence, no deferred tax assets have been recognized after April, 2009.



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SCHEDULE 13 – NOTES TO ACCOUNTS

2. Lease rentals

	For the period ended March 31, 2010 (Rs.)	For the period ended March 31, 2009 (Rs.)
Lease income booked in the profit and loss account	83,901,024	81,312,640
Lease receivable:		
Not later than one year	87,431,984	70,873,311
Later than one year but not later than five years	207,503,916	50,449,631
Later than five years	Nil	Nil

General description of Company's significant leasing arrangement

The company owns immovable property at Mumbai, which has been given to various lessees on a leave and license basis.

3. **Related party disclosures:****Name and relationship with related parties:**

Relationship	Name of the Party
Ultimate Holding Company	Pantaloon Retail (India) Limited
Holding Company	Future Capital Holdings Limited
Fellow subsidiaries	Kshitij Investment Advisory Company Limited Future Capital Investment Advisors Limited (formerly Indivision Investments Advisors Limited) Ambit Investment Advisory Company Limited Future Capital Financial Services Limited Future Hospitality Management Limited Future Finance Limited FCH Centrum Wealth Managers Limited FCH CentrumDirect Limited Kshitij Property Solutions Private Limited Axon Development Solutions Limited Future Capital Credit Limited
Other Associates	Realterm FCH Logistics Advisors Pvt. Ltd. Future Ventures (India) Ltd.

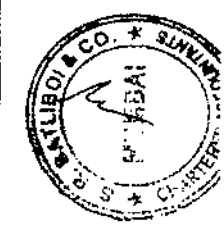


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SCHEDULE 13 – NOTES TO ACCOUNTS

Transactions with Related parties during the year ended March 31, 2010:
 Figures in Brackets denotes previous year's figures

Particulars	Holding Company		Fellow Subsidiary Company		Other Associates Entity		Total	
	31-Mar-10	31-Mar-09	31-Mar-10	31-Mar-09	31-Mar-10	31-Mar-09	31-Mar-10	31-Mar-09
Income								
Lease rental & Amenities charges	27,373,743	36,498,324	19,180,197	25,573,596	8,754,674	3,926,063	55,308,614	65,997,983
Expenditure								
Interest paid	12,854,416		6,660,269	960,132	-	-	19,514,685	21,467,145
Reimbursement of expenses	5,490,905	20,507,013	-	-	-	-	5,490,905	-
Loans / advances and Share taken:								
ICDs / Loan taken	-	489,000,000	63,000,000	72,500,000	-	-	63,000,000	561,500,000
ICDs / Loan repaid	595,050,000	21,862,879	55,749,462	2,500,000	-	-	650,799,462	24,362,879
Security deposit taken	-	9,000,000	-	12,000,000	-	-	-	21,000,000
Amounts payable as at year-end								
Payable/(Receivables)	4,600,000	-	-	-	-	-	4,600,000	-
Payable-Loan Account	-	601,022,583	77,250,538	70,656,538	-	-	77,250,538	671,679,121
Security Deposits	34,000,000	34,000,000	24,500,000	24,500,000	-	-	58,500,000	58,500,000



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Myra Mall Management Company Limited

SCHEDULE 13 - NOTES TO ACCOUNTS

Note: Disclosure of Related party transactions more than 10%

Entity	Relationship	FY 09-10	FY 08-09
Future Capital Investment Advisors Limited	Fellow Subsidiary	10,320,003	13,760,004
Kshitij Investment Advisory Company Limited	Fellow Subsidiary	8,860,194	11,813,592
Future Ventures India Limited	Other Associates	-	3,101,063
Realterm FCH Logistics Advisors Pvt. Ltd.	Other Associates	8,100,000	825,000



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SCHEDULE 13 – NOTES TO ACCOUNTS

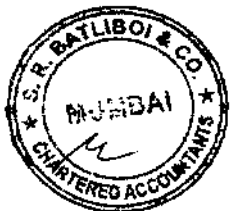
4. Earnings per share ('EPS')

Basic and diluted EPS has been computed by dividing the net loss after tax for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

	For the period ended March 31, 2010 (Rs.)	For the period ended March 31, 2009 (Rs.)
Net profit/ (loss) considered for EPS calculation	53,877,744	(3,694,197)
Weighted average number of equity shares for calculating EPS	1,000,000	1,000,000
Nominal value per share	10	10
Basic and diluted EPS	53.88	(3.69)

5. The Company did not have any transactions with Small, Micro and Medium Enterprises as defined under "Micro, Small and Medium Enterprises Development Act, 2006"

Particulars	Year ended March 31, 2010 Rs.	Year ended March 31, 2009 Rs.
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil
The amount of interest paid in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil



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SCHEDULE 13 – NOTES TO ACCOUNTS

6. Segmental reporting

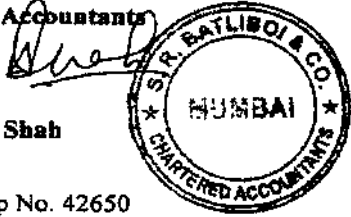
Since the Company operates in single segment, no further disclosure is required to be given as per AS-17 -Segmental Reporting issued by ICAI.

7. Previous year's figures have been re-grouped/re-arranged wherever necessary to conform to current year's classification

As per our report of even date
For S.R. Batliboi & Co.

Firm Registration NO.301003E

Chartered Accountants



Per Hemal Shah

Partner

Membership No. 42650

Place : Mumbai

Date : 24 MAY 2010

For and on behalf of the Board of Directors
Myra Mall Management Company Limited

Place : Mumbai

Date : 24 MAY 2010

