

**FUTURE CAPITAL COMMODITIES LIMITED**

*(Formerly known as Axon Development  
Solutions Limited)*

Annual Report

2010 - 11

## DIRECTORS' REPORT

Dear Members,

Your Directors present the Third Annual Report on the affairs of the Company together with the audited statement of accounts for the year ended 31<sup>st</sup> March, 2011.

### FINANCIAL HIGHLIGHTS

(Amount in Rs.)

Particulars	Year Ended 31 <sup>st</sup> March, 2011	Year Ended 31 <sup>st</sup> March, 2010
Income from operation	-	-
<b>Total Income</b>	<b>24,759</b>	-
Administration and other expenses	80,014	75,624
Preliminary expenses written off	-	-
<b>Total Expenditure</b>	<b>80,014</b>	<b>75,624</b>
<b>Profit/(Loss) before taxation and prior period items</b>	<b>(55,255)</b>	<b>(75,624)</b>
Provision for taxation :		
Current Tax	-	-
Deferred Tax	-	-
<b>Profit/(loss) after tax and before prior period items</b>	<b>(55,255)</b>	<b>(75,624)</b>
Balance brought forward previous year	(514,987)	(439,363)
<b>Balance carried forward to Balance Sheet</b>	<b>(570,242)</b>	<b>(514,987)</b>

During the year loss after tax stood at Rs. 55,255/-comprising mainly of administrative expenses.

### BUSINESS REVIEW

During the year under review, the name of the Company was changed from 'Axon Development Solutions Limited' to 'Future Capital Commodities Limited' with effect from 9<sup>th</sup> June, 2010. The object clause of the Memorandum of Association was also changed to enable the Company to carry on the proposed business of Commodity Broking / Trading.

With the necessary approval of shareholders, the Company changed its line of business to to commence the proposed business of Commodity Broking / Trading. The Company is in the process of obtaining the necessary approvals for rolling out the proposed business of Commodity Broking / Trading

As a part of broader Corporate Restructuring at the Holding Company level, the Company became the Wholly Owned Subsidiary of Future Capital Securities Limited (formerly known as FCH Centrum Wealth Managers Limited), which is a registered stock broker and depository participant, with effect from 20<sup>th</sup> June, 2011. However, the Company continues to remain the Wholly Owned Subsidiary of Future Capital Holdings Limited as a Step-Down Subsidiary.

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.

#### **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 31<sup>st</sup> March, 2011, 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 loss 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 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 31<sup>st</sup> March, 2011 on a going concern basis.

#### **ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from its parent company, Future Capital Holdings Limited, its bankers, regulatory authorities including Ministry of Corporate Affairs and business associates for their valuable guidance and support. We look forward to their continued support in future.

Your Directors also wish to place on record their appreciation for the dedication and commitment of the employees.

**On behalf of the Board of Directors**

Sd/-

Sd/-

Date : 20<sup>th</sup> June, 2011  
Place : Mumbai

Ashokkumar Shinkar  
Director


Chetan Gandhi  
Director

**Auditors' Report**

To,  
The Members of Axon Development Solutions Limited

1. We have audited the attached Balance Sheet of Axon Development Solutions Limited (the 'Company') as at March 31, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
  - iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - v. On the basis of the written representations received from the directors, as on March 31, 2011, and taken on record by the Board of Directors, 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 Companies Act, 1956.
  - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
    - a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2011;
    - b) in the case of the profit and loss account, of the loss for the year ended on that date; and
    - c) in the case of cash flow statement, of the cash flows for the year ended on that date.

*S.V. Ghatalia & Associates*  
For S.V. Ghatalia & Associates  
Firm Registration No. 103162W  
Chartered Accountants

  
per Amit Kabra  
Partner  
Membership No: 094533  
Place: Mumbai

Date: 20 JUN 2011



# S. V. GHATALIA & ASSOCIATES

Chartered Accountants

Further, since the Central Government has till date not prescribed the amount of cess payable under 441A of the Companies Act, 1956 we are not in a position to comment upon the regularity or otherwise of the companies in depositing the same.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess 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, , customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) The Company has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty per cent or more of its net worth and whether it has incurred cash losses in such financial year and in the immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of any dues to a 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 any 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 and according to the information and explanations given to us, the Company has not dealt/traded in shares, securities, debentures and other investments. Therefore 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 any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company did not raise any term loans 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) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company did not raise any money by way of public issues during the year.



**Axon Development Solutions Limited**  
**Balance Sheet as at March 31, 2011**

*Amount in Rupees*

	Schedules	As at March 31, 2011	As at March 31, 2010
<b><u>SOURCES OF FUNDS</u></b>			
<b>Shareholders' Funds</b>			
Share capital	1	500,000	500,000
<b>Total</b>		<b>500,000</b>	<b>500,000</b>
<b><u>APPLICATION OF FUNDS</u></b>			
<b>Current assets, Loans and Advances</b>			
Cash and bank balances	2	1,454	40,204
Less: Current Liabilities			
Current liabilities	3	71,696	55,191
<b>Net Current Assets</b>		<b>(70,242)</b>	<b>(14,987)</b>
<b>Profit and Loss Account</b>		570,242	514,987
		<b>500,000</b>	<b>500,000</b>
<b>Notes to Accounts</b>	<b>6</b>		

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.V. Ghatalia & Associates*  
**For S.V. Ghatalia & Associates**  
**Firm Registration No. 103162W**  
**Chartered Accountants**

*Amit Kabra*  
**per Amit Kabra**  
**Partner**  
**Membership No. 094533**

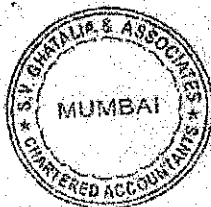
Place : Mumbai  
 Date : **20 JUN 2011**

**For and on behalf of the Board of Directors of  
 Axon Development Solutions Limited**

*Prasad*  
**Director**

*Prasad*  
**Director**

Place : Mumbai  
 Date : **20 JUN 2011**



**Axon Development Solutions Limited**  
**Cash Flow Statement for the year ended March 31, 2011**

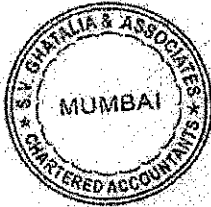
	For the year ended March 31, 2011	Amount in Rupees For the year ended March 31, 2010
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before tax	(55,255)	(75,824)
Operating profit before working capital changes	(55,255)	(75,824)
<u>Changes in working capital:</u>		
Increase/(Decrease) in Current Liabilities	18,505	(54,100)
Net increase/(decrease) in cash and cash equivalents	(38,750)	(129,724)
Cash and cash equivalents at the beginning of the year	40,204	169,928
Cash and cash equivalents at the end of the year	<u>1,454</u>	<u>40,204</u>
	As at March 31, 2011	As at March 31, 2010
<u>Cash and cash equivalents comprises of:</u>		
Balance with scheduled bank in current accounts	1,454	40,204
	<u>1,454</u>	<u>40,204</u>

As per our report of even date

*S.V. Ghatalia & Associates*  
**S.V. Ghatalia & Associates**  
 Firm Registration No. 103162W  
 Chartered Accountants

*Amit Kabra*  
 per Amit Kabra  
 Partner  
 Membership No. 094533

Place : Mumbai  
 Date : 20 JUN 2011



For and on behalf of the Board of Directors of  
 Axon Development Solutions Limited.

*[Signature]*  
 Director

*[Signature]*  
 Director

Place : Mumbai  
 Date : 20 JUN 2011



Axon Development Solutions Limited  
Schedules forming part of the Profit & Loss Account

	For the year ended March 31, 2011	Amount in Rupees For the year ended March 31, 2010
<b>SCHEDULE: 4</b>		
Other income		
Excess provision written back	24,759	
	<u>24,759</u>	
<b>SCHEDULE: 5</b>		
Administrative and other expenses		
Legal and professional charges	16,545	10,845
Rates and taxes	5,700	2,220
Bank charges	1,655	
<u>Auditor's Remuneration</u>		
- Audit fees	55,150	58,064
- Others	964	4,495
	<u>80,014</u>	<u>75,624</u>



*CS*





**SCHEDULE 6**

**Significant Accounting Policies And Notes To Accounts**

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.

**6. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings 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.

**7. Cash and Cash Equivalents**

Cash and Cash equivalents in the balance sheet comprise cash at bank and in hand.

**C. NOTES TO ACCOUNTS**

**1. Contingent Liabilities**

Contingent liabilities as at March 31, 2011 – Rs. Nil (Previous year: Rs. Nil)

**2. Capital Commitments**

Estimated amounts of contracts remaining to be executed on capital account not provided for amounts to Rs. Nil (Previous year: Rs. Nil)

**3. Related Party Disclosure**

**a) Name and relationship with parties:-**

**Parties where control exists:**

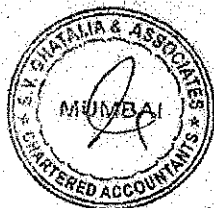
Ultimate Holding Company  
Holding Company

Pantaloon Retail (India) Limited  
Future Capital Holdings Limited

**Other related parties with whom the Company has entered into transactions during the year:**

Fellow subsidiaries

Future Finance Limited



Axon Development Solutions Limited

**SCHEDULE 6**  
**Significant Accounting Policies And Notes To Accounts**

**8. Additional Information Pursuant to Schedule VI**

Additional information pursuant to the provisions of paragraph 3, 4C and 4D of part II of the Schedule VI to the Companies Act, 1956 is not provided as certain requirements are not applicable to the Company and in respect of remaining disclosure requirements there are no transactions requiring disclosure of information.

**9. Prior Period Comparatives**

Previous year's figures have been regrouped / reclassified to confirm with current year's presentation, wherever applicable.

As per our Report of even date attached

*S.V. Ghatalia & Associates*  
For S. V. Ghatalia & Associates  
Firm Registration No.103162W  
Chartered Accountants

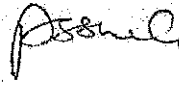
  
per Amit Kabra  
Partner

Membership No. 094533

Place: Mumbai  
Date: 20 JUN 2011



For and on behalf of the Board of Directors  
Axon Development Solutions Limited

  
Director

  
Director

Place: Mumbai  
Date: 20 JUN 2011

