



# Future Market Networks Limited

(formerly known as Agre Developers Limited)

## Annual Report 2011-12

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## **COROPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Anil Baijal	- Chairman & Independent Director
Sumit Dabriwala	- Managing Director
Purushottam Lal Agarwal	- Independent Director
Rahul Saraf	- Independent Director
Krishna Kant Rathi	- Non-Executive Director
Rajesh Kalyani	- Non-Executive Director

### **CHIEF FINANCIAL OFFICER**

Naina Hegde

### **COMPANY SECRETARY**

Anil Cherian

### **AUDITORS**

NGS & Co.; Chartered Accountants

### **BANKERS**

Central Bank of India  
HDFC Bank  
Corporation Bank

### **REGISTERED OFFICE**

Knowledge House, Shyam Nagar,  
Off. Jogeshwari – Vikhroli Link Road,  
Jogeshwari (E) Mumbai – 400060

### **REGISTRAR & SHARE TRANSFER AGENT**

Link Intime India Pvt Ltd  
C-13 Pannalal Silk Mills Compound  
L B S Marg Bhandup (W)  
Mumbai 400 078  
Tel. No.: 022-25963838  
Fax No.: 022-25946969

### **WEBSITE**

[www.fmn.co.in](http://www.fmn.co.in)

## Board of Directors:

### **Mr. Anil Baijal: Chairman & Independent Director**

Anil Baijal, IAS (Retd.), piloted the flagship program of the Jawaharlal Nehru Urban Renewal Mission (JNUMRM) for improving infrastructure and basic services in the urban areas of the country as Secretary of Ministry of Urban Development, Government of India. He has also been the Union Home Secretary apart from holding various other positions of eminence in various government bodies and ministries in an administrative career spanning almost four decades. Mr. Baijal also serves as a Director of ITC Limited, DLF Pramerica Life Insurance Company Ltd and IDFC PPP Trusteeship Company Ltd.

### **Mr. Sumit Dabriwala: Managing Director**

Sumit Dabriwala is a Commerce Graduate from St. Xavier's College in Kolkata having 21 years of corporate experience. In the year 1997 the Government of West Bengal tendered the selection of a private sector partner for the setting up of a joint venture for the initial development of an area aggregating to 1.7 million sqft in Kolkata. Sumit was instrumental in the successful execution of the project. The said joint venture further secured the right to develop an integrated township in the south eastern Kolkata on a 262 acre parcel of land owned by Bata India Limited, which is developing into one of marquee projects of the city. In his earlier stint (1989-94), Sumit successfully managed United Credit Limited, a listed NBFC involved in transport financing and also its associate Company United Credit Financial Services Ltd.

### **Mr. P L Agarwal: Independent Director**

P L Aggarwal is a lawyer with an experience of over forty years dealing in commercial, corporate, real estate and intellectual property, banking and finance laws and has handled several assignments in these fields over the years. He is an advisor to a range of large Indian and multinational clients in various business sectors and is the Senior Partner in Khaitan & Co, Advocates & Solicitors.

### **Mr. Rahul Saraf: Independent Director**

Rahul Saraf, the Managing Director of Forum Projects, has over 20 years of experience in the real estate industry. Rahul was instrumental in developing Forum, one of Kolkata's first shopping malls and won the prestigious "Brick and Mortar" Award for its quality construction. Rahul Saraf was the Vice President of CREDAI Bengal, Chairman (Eastern Region) of the India Green Building Council and is also one of the founding members of Shopping Centre Association of India.

### **Mr. K K Rathi: Non-Executive Director**

K.K. Rathi, is a Chartered Accountant and Company Secretary with 24 years of professional experience in corporate finance, strategic business planning and investment advisory working with organizations such as KEC International Limited, H&R Johnson (India) Limited, and Motilal Oswal Private Equity Advisors. He has previously worked as Group CFO with Pantaloon Retail and currently serves as the CEO of Future Ventures. K.K. Rathi is also a director of various companies including Future Capital Holdings Limited, Future Generali India Life Insurance and Future Generali India Insurance.

### **Mr. Rajesh Kalyani: Non-Executive Director**

Rajesh Kalyani is a Chartered Accountant with 21 years of experience in areas of business planning, project & working capital management, properties, commercial & taxation matters.

## Letter from the Managing Director

Dear Stakeholders

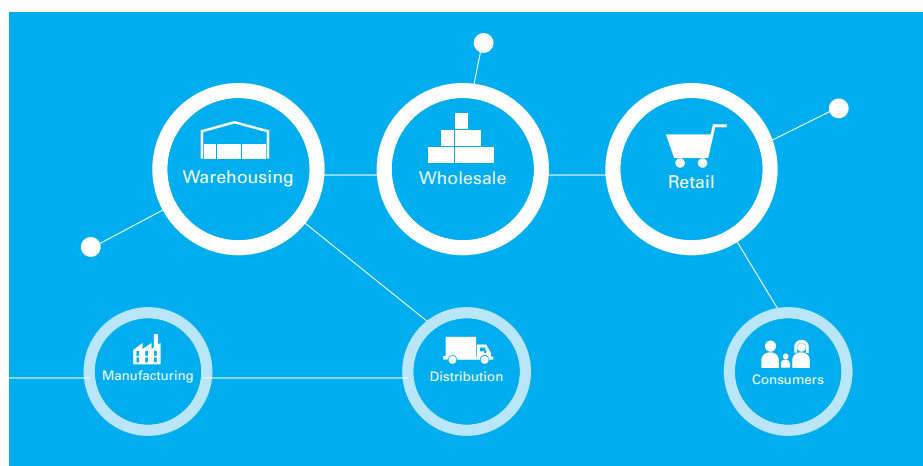
I am pleased to share with you the Annual Report of Future Market Networks Limited for the Financial Year 2011-2012. Future Market Networks is inspired by the thought of creating a network of new markets for the Indian consumption sector by integrating and organizing modern retail, wholesale and logistics retail infrastructure. Retail Infrastructure, Wholesale Trade Infrastructure and Logistics Infrastructure form the three key business verticals of your company. We are happy to state your company has made visible progress in each of its business verticals and has aligned with "best in class" partners in each of them.

It goes without saying that the potential and growth of India's domestic consumption sector has few parallels anywhere in the world. We are in the midst of a social and economic change, the pace of which has never been seen at any point in our history. Increase in life expectancy, a younger demographic profile and economic growth are fueling domestic consumption. A Boston Consulting Group report states that the lifetime consumption of an average Indian born in 2009 will be \$ 184,556, which is 13 times that of someone born in 1960. The report suggests that the average household income is set to rise nearly three times between now and the end of the decade. India's private domestic consumption economy is now at around \$400 billion and during this decade will cross \$1 trillion.

For a developing economy, India has a uniquely higher share of domestic consumption driving the economy. While domestic consumption is only 39% of China's GDP, in India its share is over 60%, comparable to the 70% share in the United States and other developed economies. This characteristic feature of the Indian economy therefore acts as a strong foundation for sustainable growth of the economy. However, the infrastructure that supports this consumption economy in India is woefully inadequate, disorganized and fragmented. Modern retail has more than 40% share in China and over 90% share in the United States. In India, the share of modern retail is variously estimated to be between 6% and 8%. Even in the large metros, the share of modern retail rarely crosses 20%. The Indian logistics space is extremely fragmented – only 6% of the industry is organized, as opposed to 57% in USA and 80% in Japan.

Economic liberalization in the Nineties led to growth. Growth generated demand. However, supply in India is perennially playing catch up with demand. Most of the infrastructure that supports consumption in India continues to be outdated and unable to benefit from or catalyze the further growth of consumption. It is only obvious that we have to build capacity to reach more consumers across more consumption centers, with more products and services, more effectively and cost effectively.

Your company is designed to build capacity in the three most important components of the value chain the connect the manufacturers to consumers in India. These are the warehouse and logistics infrastructure, wholesale trade infrastructure and modern retail infrastructure.



**Creating infrastructure to support India's Growing Consumption Section**

In order to develop these businesses, your company has forged partnerships with leading organizations in India and abroad. Hong Kong based, Fung Properties is part of a USD 15 billion organization that specializes in supply chain management in sourcing and distribution of consumer goods. It partners with some of the largest retailers across the world and invests in fast growing companies that can benefit from both capital and strategic assistance from the group. Your company has formed a 70:30 joint venture with Fung Properties to develop the Wholesale Markets in India.

Infrastructure Leasing & Financial Services Limited (IL&FS) is one of India's leading infrastructure development and finance companies. Your company has partnered with IL&FS for the development of the logistics infrastructure parks in the country and has committed to invest Rs 100 crore in the business.

Delhi-based Star Centers specializes in the planning, and management of high-quality shopping malls and has domain expertise, credibility, occupier relationships and an established track record of success with experience spread across 50 shopping centers across Asia, including the much acclaimed Select City Walk in Saket, Delhi. Your company has a 60% stake in this entity.

Drawing on the requisite expertise from these partnerships, your company has already made progress on each of these businesses. A modern wholesale market – similar to those seen in China and the Middle East – is being set up in Bangalore. The first phase of this project will be operational from December 2012. Branded as 'World Market' this 11 acre facility located on the Old Madras Road in the outskirts of Bangalore will have over 400 wholesale traders operating from this complex. In Mumbai, an existing mall close to Mumbai Central railway terminus has also been converted into a World Market and will have 400 traders operating from the complex by the first quarter of the FY 2012-13.

In April 2012, the company also opened its retail infrastructure project, IMG Road. IMG ROAD is an iconic, downtown high street shopping centre, located in the heart of Bangalore, on Trinity Circle, MG Road. Located inside walking distance from some of the city's best 5-star hotels such as Taj Residency, The Oberoi, Park Hotel & Hotel Ista, the mall is positioned as a premium, high energy, urban retail centre for the affluent Bangalorean and visitors to the city. It sports foreign and domestic labels like Marks & Spencer, Apple iStore, Hagen Daaz, The Body Shop, Hidesign and Food Hall. Another marquee mall, DCN, will be operational in the second quarter of the FY 2012-13 in Kolkata

In the logistic infrastructure space, the company has already begun the process of acquiring land in Jhajjar in Haryana to set up a logistics infrastructure facility to address consumption in Gurgaon and the balance of the south and south east region of the Delhi NCR. It has also identified land at Dankuni to the north west of Kolkata and applied to the Government of West Bengal for the necessary permission to acquire it. The company has chalked out a plan to develop 10 million square feet of space for logistics infrastructure parks in eight top cities and is in various stages of identifying and acquiring the land.

We believe that we are fortunate enough to have a board of directors with rich and cross-functional expertise in infrastructure development, project management, real estate and finance and are backed by a committed team of professionals with experience in working with leading organizations in the country. Future Group's inherent knowledge and experience in the consumption economy and its presence in retail and supply chain and its relationships with partners across various consumption categories in India provides a strong foundation for our growth.

The slowdown in real estate development has come at a most opportune time for us as we go out into the market to acquire site for our business verticals. We are finally finding sanity in the pricing and transaction terms that are being offered to us. Within a short period of time, we have been able to achieve more than what we planned for. Yet, this achievement is quite small compared to the aspiration and ambition that is harbored within this organization. I would like to thank everyone for your continued support, faith and encouragement in our vision, ambition and execution.

Warm regards

Sumit Dabriwala  
Managing Director

# Directors' Report

## DIRECTORS' REPORT

To,

The Members of  
Future Market Networks Limited  
(Formerly known as Agre Developers Limited)

Your Directors are pleased to present the Fourth Annual Report together with the Audited Statements of Accounts for the financial year ended 31<sup>st</sup> March 2012.

### Financial Highlights:

#### a) Standalone

(Rs. in lacs)

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Revenue from Operations	2,929.06	2,434.49
Other Income	4,461.67	44.89
Total Income	7,390.73	2,479.38
Personnel Cost	1,473.51	1,134.93
Operating and other expenses	1,640.00	1,259.13
Total Expenditure	3,113.50	2,394.06
Profit before Interest, Depreciation and Tax	4,277.22	85.32
Less: Interest	4,378.27	0.52
Less: Depreciation	22.42	21.25
Profit / (Loss) before Taxation	(123.46)	63.55
Less: Provision for taxation	-	25.01
Less: Deferred Tax	(3.65)	3.65
<b>Profit / (Loss) after Taxation</b>	<b>(119.81)</b>	<b>34.88</b>

#### b) Consolidated

(Rs. in lacs)

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Revenue from Operations	16,517.61	1413.74
Other Income	6,401.59	111.51
<b>Total Revenue</b>	<b>22,919.20</b>	<b>10,525.25</b>
Purchase	110.36	458.25
Personnel Cost	721.21	192.83
Operating and other expenses	10,536.58	463.75
<b>Total Expenditure</b>	<b>12,368.15</b>	<b>9,114.83</b>
Profit before Interest, Depreciation and Tax	10,551.05	410.42
Less: Interest	8,811.04	45.08
Less: Depreciation	2,498.58	1,030.26
Profit / (Loss) before Taxation	(758.57)	335.09
Less: Provision for taxation	75.55	82.64
Less: Deferred Tax	(802.34)	211.82
<b>Profit / (Loss) after Taxation</b>	<b>(31.78)</b>	<b>40.63</b>



## **Scheme of Amalgamation:**

### **Amalgamation of Future Realtors (India) Private Limited, Prudent Vintrade Private Limited and AIGL Holding & Investments Pvt Ltd with the Company.**

The Scheme of Amalgamation between the Company, Future Realtors (India) Private Limited ("FRIPL"), Prudent Vintrade Private Limited ("Prudent") and AIGL Holding & Investments Pvt Ltd ("AIGL") and their respective shareholders and creditors with appointed date April 1, 2011 has been approved by the Hon'ble High Court of Judicature at Bombay on January 20, 2012 and the Company filed certified copy of the order with Registrar of Companies on February 10, 2012, being the effective date.

Pursuant to the said scheme, investments held by Future Realtors India Private Limited in its subsidiaries and associate companies which were engaged in the business of development and leasing of retail real estate properties and development of integrated townships in India are now vested with the Company.

Prudent and AIGL through its associate company was holding beneficial interest in Riverbank Project, that is developing an integrated township called Calcutta Riverside at Batanagar in Kolkata. This township is spread over an area of 262 acres and has been promoted by the Hiland and Belani Groups in joint venture along with Kolkata Metropolitan Development Authority. The said investments of Prudent and AIGL now vested with the Company.

In terms of the aforesaid Scheme 4,46,83,440 equity shares of Rs 10/-each was allotted to the shareholders of FRIPL, AIGL and Prudent on March 27, 2012 and the same were listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited on May 8, 2012.

## **Scheme of Amalgamation:**

### **Amalgamation of Agre Properties & Services Limited, wholly owned subsidiary, with the Company.**

The Board of Directors at their meeting held on February 7, 2012 considered and approved a Scheme of Amalgamation with Agre Properties & Services Limited (APSL), the Wholly Owned Subsidiary, and their respective shareholders and creditors. The appointed date for the said Scheme is April 1, 2011. The Company application has been filed with Hon'ble High Court of Bombay seeking directions for holding the meeting of the members of the Company.

APSL is engaged in the business of retail arbitrage.

## **Scheme of Amalgamation:**

### **Amalgamation of KB Mall Management Company Limited, wholly owned subsidiary, with the Company**

The Board of Directors at their meeting held on March 30, 2012 considered and approved a Scheme of Arrangement with KB Mall Management Company Limited (KB Mall), the Wholly Owned Subsidiary, and their respective shareholders and creditors. The appointed date for the said Scheme is January 1, 2012. The Company application has been filed with Hon'ble High Court of Bombay seeking directions for holding the meeting of the members of the Company.

KB Mall is in the business of development and leasing of retail real estate properties

## **Dividend:**

In view of the losses incurred by the Company, your Directors have not recommended any dividend for the financial year ended March 31, 2012.

## **Subsidiaries**

Your Company has the following Subsidiaries as on 31<sup>st</sup> March 2012:

S No.	Name of the Subsidiary
1.	Agre Properties & Services Limited
2.	Precision Realty Developers Private Limited
3.	KB Mall Management Company Limited
4.	Acute Realty Private Limited
5.	Unique Malls Private Limited
6.	Aashirwad Malls Private Limited
7.	Aabha Hotels Private Limited
8.	Shreya Malls Management Private Limited
9.	Nishta Mall Management Company Private Limited

S No.	Name of the Subsidiary
10.	Niyman Mall Management Company Private Limited
11.	Future Retail Destination Private Limited
12.	Kshitij Retail Destination Private Limited
13.	Ojas Mall Management Private Limited
14.	Harmony Mall Management Private Limited
15.	Suhani Mall Management Private Limited
16.	Future Trade Markets Private Limited
17.	Star Shopping Centres Private Limited
18.	Sun City Properties Private Limited

The subsidiaries are engaged in the business of development and leasing of retail spaces across the Country. Future Retail Destination Private Limited has entered into a strategic joint venture agreement with IL&FS Township & Urban Assets Limited for the development of Infra Logistic Parks at strategic locations in the Country. Future Trade Markets Private Limited (FTMPL) has entered into a strategic alliance with SKC 3 Limited (investment vehicle of Fung Properties) to develop Whole Sale Markets in India.

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. However the financial information of the subsidiary companies is disclosed in the Annual Report in compliance with the said circular. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

### **Share Capital:**

During the year under review, consequent to the amalgamation of Future Realtors India Private Limited, AIGL Holding & Investments Private Limited and Prudent Vintrade Private Limited with the Company, the authorized share capital of transferor Companies under the Scheme of Amalgamation were stand combined to the authorized share capital of the Company. Accordingly the authorized share capital of the Company as on the date of this report is Rs. 80,26,00,000/- (Rupees Eighty Crores Twenty Six Lacs) divided into 8,02,10,000 equity shares of Rs. 10/- each and 5000 Preference Shares of Rs. 100/- each.

In terms of the approved Scheme of Arrangement for the amalgamation of Future Realtors India Private Limited, AIGL Holding & Investments Private Limited and Prudent Vintrade Private Limited 4,46,83,440 equity shares of Rs 10/- each allotted to the Shareholders of FRIPL, AIGL and Prudent on March 27, 2012 and the same were listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited on May 8, 2012. Accordingly the paid up share capital of the Company as on the date of this report is Rs. 55,85,44,060/- divided into 5,58,54,406 equity shares of Rs. 10/- each.

### **Change of name:**

During the year under review the Company, pursuant to Section 192A of the Companies Act, 1956 read with Rule 2A of the Companies (Passing of the resolution by postal ballot) Rules, 2001, sought the approval of the shareholders by way of Postal Ballot for the Change in name of the Company to "Future Market Networks Limited" from "Agre Developers Limited."

The Shareholders approved the special resolution with requisite majority. Subsequently Ministry of Corporate Affairs has issued a fresh certificate of incorporation reflecting change in name of the Company on February 6, 2012.

### **Consolidated Financial Statements:**

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-23 on Accounting for Investments in Associates and AS-27 on Financial Reporting of Interest in Joint Ventures and in compliance with provisions of Listing Agreement with Stock Exchanges, the audited Consolidated Financial Statements are provided in the Annual Report.

### **Cash Flow Statement:**

In Conformity with the provisions of clause 32 of the Listing Agreement with the Stock Exchanges, the Cash Flow Statement for the year ended 31<sup>st</sup> March, 2012 has been provided in the Annual Report and which forms part of this report.

### **Fixed Deposits:**

The Company has not accepted any deposits, within the meaning of Section 58-A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 made there under.

### **Directors**

The Board of Directors of the Company constitutes of Mr. Anil Bajjal, Mr. P.L Agarwal, Mr. Rahul Saraf, Independent Directors, Mr. K.K Rath, Mr. Rajesh Kalyani, Non Executive Directors and Mr. Sumit Dabriwala, Managing Director.

The Company made an application under Section 269 and other applicable provisions of the Companies Act, 1956, to the Ministry of Corporate Affairs in connection with payment of managerial remuneration to its Managing Director as per the limits approved by the shareholders through a Postal Ballot on 30<sup>th</sup> December 2010.

Ministry of Corporate Affairs, Government of India vide their letter dated August 3, 2011 had approved a total managerial remuneration of Rs. 1,50,00,000/- (Rupees One Crore Fifty Lacs only) per annum for a period of three years i.e. September 21, 2010 to September 20, 2013.

### Directors retiring by rotation

Mr. Rahul Saraf and Mr. Rajesh Kalyani, Directors, retire by rotation and being eligible; offer themselves for re-appointment at the ensuing Annual General Meeting and are eligible for re-appointment.

The Board recommends their re-appointment.

### Director's Responsibility Statement:

As required under section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from same;
2. 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 that period;
3. 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; and
4. the directors have prepared the annual accounts on a going concern basis.

### Corporate Governance:

Report on Corporate Governance of the Company and Management Discussion and Analysis Report for the year under review, as per the requirements of Clause 49 of the Listing Agreement(s), have been given under a separate section and forms part of this Annual Report.

### Listing:

The equity shares of the Company are listed on the Bombay Stock Exchange Limited, Mumbai (BSE) and The National Stock Exchange of India Ltd. (NSE) and the listing fee for the year 2012-13 has been paid.

The Company has entered into necessary agreements with the Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for availing the Depository services.

### Auditors:

M/s NGS & Co., Chartered Accountants, Mumbai, Auditors of the Company, bearing ICAI Registration Number 119850W retire at the ensuing Annual General Meeting and are eligible for appointment. The Company has received confirmation from NGS & Co. that their appointment will be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. The Board recommendeds their appointment.

### Particulars of Employees under Section 217(2A):

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report.

However, having regard to the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

Information in accordance with the provisions of Section 217 (1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the Annexure forming part of this report.

### Acknowledgement

Your Directors would like to acknowledge and place on record their sincere appreciation to all stakeholders, Financial Institutions, Banks, Central and State Governments, the Company's valued investors and all other business partners for their continued co-operation and excellent support received during the year.

Your Directors recognize and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to its progress.

**For and on behalf of the Board of Directors**

Place : Mumbai  
Date: May 30, 2012

**Sumit Dabriwala**  
Managing Director

**P.L Agarwal**  
Director

## ANNEXURE TO THE DIRECTORS' REPORT

Particulars Required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

### A. CONSERVATION OF ENERGY

- a) Energy Conservation Measures Taken
- b) Additional investments and Proposals, if any, being implemented for reduction of consumption of energy and
- c) Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

**Disclosure for (a) to (c):** The operations of the Company do not involve high energy consumption. However the Company has been laying great emphasis on the Conservation of Energy and has taken several measures including regular monitoring of consumption, implementation of viable energy saving proposals, improved maintenance of systems etc.

- d) Particulars of Energy consumption etc in respect of specified industries.

The disclosure on particulars regarding consumption of energy etc are not applicable to the Company since industry to which the Company belongs is not covered under the schedule prescribed by the said Rules.

### B. TECHNOLOGY ABSORPTION

The particulars regarding absorption of technology is given below as per Form B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

#### Research and Development (R & D):

- |  |   |
|--|---|
| 1 Specific areas in which R&D is carried out by the Company: | Designing of Shopping malls and mixed use projects as per the best industry standards are the areas in which general research and development work is carried out by the Company. |
| 2 Benefits derived as a result of the above R & D            |   |
| 2 Future Plan of Action                                      |   |
| 4 <b>Expenditure on R &amp; D</b>                            |   |
| a. Capital   | Included in the project cost.   |
| b. Recurring   |   |
| c. Total   |   |
| d. Total R & D expenditure as a percentage of total turnover |   |

#### Technology absorption, adaptation and innovation:

- |  |     |
|--|-----|
| 1 Efforts in brief, made towards technology absorption, adaptation and innovation  | Nil |
| 2 Benefit derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.                     | Nil |
| 3 In case of Imported Technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished: |     |
| a) Technology Imported   |     |
| b) Year of Import  |     |
| c) Has technology been fully absorbed  |     |
| d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action  |     |
- } Nil

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

	Current Year (Rs)	Previous Year (Rs)
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	577,948	83,301

### MANAGEMENT DISCUSSION AND ANALYSIS

During the year under review, the Company sharpened its focus on its three business verticals – wholesale trade infrastructure, logistics infrastructure and retail infrastructure. Given that its business is predicated on the growth of consumption and is therefore focused on creating infrastructure for it – and that it does not participate in the conventional “real estate” space – it felt the need to have this reflect in its name as well. Accordingly, it secured approval of its shareholders on January 11, 2012 for changing its name from “Agre Developers Limited” to “Future Market Networks Limited”. A fresh certificate of incorporation reflecting this change was issued to it on February 6, 2012.

#### Economy

Even though the global economic slowdown has had an impact on the Indian economy, the growth and potential of the consumption sector is considered to be a secular trend. India has over 500 million people below the age of 25 years. Middle class consumers have grown from 15 million in 1991 to over 300 million in 2011. The number of people who own atleast a mobile phone or a two wheeler is over 500 million, larger than the combined populations of Brazil, Russia, Germany and the UK. Each of these indicate that the demand for value added products in apparel, consumer durables and electronics, home products and food and FMCG will continue to grow at a tremendous pace.

Reflecting the potential for the growth in the domestic consumption sector, India continues to be counted among the top 5 most attractive markets for retailers according to the AT Kearney's 2012 Global Retail Development Index. The report states, “India remains a high-potential market with accelerated retail growth of 15 to 20 percent expected over the next five years.”

The report also mentions the changing regulatory environment in India has the potential to transform the consumption sector in the country. The government has already allowed 100% foreign direct investment in single-brand retailing and is expected to soon revise the rules for foreign investment in multi-brand retailing as well. In addition, the government has announced its intention to implement the Goods and Services Tax (GST) regime at the earliest. The implementation of the GST regime will bring in more efficiency in the supply chain networks in India and will incentivize consumer companies to pursue consolidation and modernization of logistics and warehouse networks in the country. Global consumer-led companies like Coca Cola, IKEA and Starbucks have announced billions of dollars of fresh investments in the country, even as more and more retail and consumer brands announce their intent to enter the Indian market.

The renewed interest in the Indian consumer space by multinational companies, coupled with the improving regulatory environment bodes well for all the three business verticals of the company. The slowdown in real estate development has come at a most opportune time for the company as it goes out into the market to acquire site for our business verticals. The management believes that it is finally finding sanity in the pricing and transaction terms that are being offered to the company.

#### Outlook and opportunities

The Company has made visible progress in each of its business verticals and has aligned with “best in class” partners in each of them.

#### Infra Logistics

The company has entered into a 50:50 partnership with IL&FS to set up logistics infrastructure parks across the country. The company's expertise in sourcing deals, project management, leasing and asset management is well complimented by IL&FS' rich experience in the commercialization of infrastructure projects, arrangement of mezzanine debt funding and strategic relations with state government and various departments of the central government to help deal with complex regulatory requirements.

The logistics industry is expected to grow at 15%-20% CAGR reaching revenues of USD 385 billion by 2015. According to KPMG estimates, there is a supply gap of around 120 million square feet of warehousing space and this is growing at a fast pace. The development of the Dedicated Freight Corridor (DFC) itself demands for over 340 million square feet warehouse space. The concept of Logistics Parks is gaining popularity, where over



3,700 acres are going to be developed over the next few years. Despite such strong outlook, there are only a few organized players developing warehouse infrastructure for consumption led companies and 92% of warehousing space are in unorganized sector providing low value added services to the consumer companies.

The company plans to operate 10 million square feet of logistic park facilities in the top eight metros by 2015. The special purpose vehicle formed for this business has already begun the process of acquiring land in Jhajjar in Haryana to set up a logistics infrastructure facility to address consumption in Gurgaon and the balance of the south and south east region of the Delhi NCR. It has also identified land at Dankuni to the north west of Kolkata and applied to the Government of West Bengal for the necessary permission to acquire it. Transactions have been agreed to in principle to jointly develop land parcels in Ghaziabad and Gujarat. Each of these logistics parks will be anchored by Future Supply Chains Limited, which is growing at a fast pace and now has the pick of the FMCG, consumer durables and retail industry as its clients. These parks will also directly serve other participants in the logistics and consumption industry spectrums.

### **Wholesale Markets**

Modern wholesale markets are increasingly a common feature in fast growing regions like China, South East Asia and the Middle East. Some of the largest ones are located in China's wholesale trading hub, Yiwu and the Dragon Mart in Dubai. These wholesale markets provide requisite facilities for domestic and international traders dealing in categories like accessories, cosmetics, toys, electronics and home appliances, IT accessories, stationery markets, kitchen and bathroom ware, bags and leather products and construction hardware.

During the year under review, work has begun on two "World Markets" - one opposite the Mumbai Central Station in the heart of Mumbai and the other on the Old Madras Road to the east of Bangalore city. Development and marketing of these markets continues at a robust pace. Approximately 50% of the World Market Mumbai has already been leased and is operational while the World Market Bangalore has received an enthusiastic response and its first phase is scheduled to open for business by December, 2012.

Your company has aligned with Fung Properties, part of the Hong Kong-based Li & Fung Group, for this business and they are actively participating in the bringing in their understanding of these markets in South East Asia as also their very substantial relationships with traders and manufacturers from this region. The company is in the process of negotiating sites in Kolkata and Noida in the NCR for these markets as well.

### **Retail Infrastructure**

The company has aligned this business with Star Shopping Centres Private Limited (Star), a company set up by two outstanding professionals - Pranay Sinha and Shilpa Malik. They were part of the team that created Select City Walk in Delhi, one of the most successful shopping centers in the country. Star already has a portfolio of approximately two million square feet of space under management or contracted for management and under development across the country and is actively negotiating more sites. The first Star Centre has opened to rave reviews on MG Road in Bangalore and the next is slated for opening on Jessore Road, Kolkata.

Star has crafted a unique model, quite akin to the model of commercial engagement followed by international hotel management brands, by leveraging its deep understanding of the category retail infrastructure and its management.

### **Calcutta Riverside**

Our exposure to the prestigious Calcutta Riverside development at the erstwhile Bata India Limited factory in the suburbs of Kolkata has also been moving forward confidently. In what is a major boost to this development, the Government of West Bengal has sponsored an 8km elevated road that will dramatically cut travel time as also transform the travel experience to Calcutta Riverside. This elevated road has been approved for funding under the JNNURM scheme of the Government of India. An ILFS - Government of West Bengal joint venture has been appointed transaction advisor to bid it out.



### **Risk**

**Business Risk:** The business of construction and development is heavily dependent on the performance of the real estate market in India and could be adversely affected if market conditions deteriorate. The real estate market is significantly affected by changes in government policies, economic conditions, demographic trends, employment and income levels and interest rates, among other factors. The development of real estate projects involves various risks including regulatory risks, financing risks and the risks that these projects may ultimately prove to be unprofitable.

**Economy Risk:** Economic and market conditions can adversely affect the performance of the Company. In particular, the decline in the performance of the global and Indian economies as a result of the economic downturn can reduce demand and occupancy levels in property markets. An increase in interest rates or an increase in the margin on which finance can be obtained may increase the Company and the Subsidiary's financing costs and such increase in interest rates may increase the cost of borrowing, which could have an adverse impact on the Company and the Subsidiary's business, financial condition and results of operations.

### **Financial Performance**

**Total Income:** The Company achieved total revenue of Rs. 7,390 Lacs during the financial year ended 31st March 2012.

**Operating Profit:** During the year financial year ended 31st March 2012, the Company achieved operating profit of Rs. 4,277 Lacs.

**Profit/Loss after Tax:** The Company recorded a loss of Rs. 119 Lacs for financial year ended 31st March 2012.

### **Risk, Internal Control System and Adequacy:**

The Company has adequate internal control procedure commensurate with its size and nature of the business. The internal control system is supplemented by extensive internal audits, regular reviews by management and well-documented policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data. Moreover, the Company continuously upgrades these systems in line with best accounting practices. The Company has independent audit systems to monitor the entire operations and the Audit Committee of the Board review the findings and recommendations of the internal auditors.

### **Human Resources:**

The Company regards its human resources as amongst its most valuable assets and proactively reviews policies and processes by creating a work environment that encourages initiative, provides challenges and opportunities and recognizes the performance and potentials of its employees. The industrial relations across different locations of the Company were cordial during the year. The Company has, over the last few months, built the team necessary to be able to build and execute the vision that has been articulated in the preceding paragraphs. The total number of employees of the Company as on 31st March 2012 stood at 79.

### **Cautionary Statement:**

This report contains forward-looking statements based on certain assumptions and expectations of future events. Actual performance, results or achievements may differ from those expressed or implied in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.



## REPORT ON CORPORATE GOVERNANCE

The Equity shares of the Company have been listed on the BSE Limited and National Stock Exchange of India Limited.

In accordance with Clause 49 of the Listing Agreement on Corporate Governance (Clause 49) with the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE), the report containing the details of corporate governance systems and processes at Future Market Networks Limited are as under:

### I. Corporate Governance Philosophy

The Company firmly believes that the governance process must aim at managing the affairs without undue restraints for efficient conduct of its business, so as to meet the aspirations of shareholders, employees, customers, vendors and society at large.

The cardinal principles such as independence, accountability, responsibility, transparency, fair and timely disclosure, credibility among others serve as the means of implementing the philosophy of Corporate Governance in both letter and spirit.

We believe that sound Corporate Governance is critical to enhance and retain investor trust. Accordingly, we always seek to ensure that we attain our performance with integrity and the Board exercises its fiduciary responsibilities in the widest sense of the term.

The Company recognizes that good Corporate Governance is a continuing exercise and reiterates its commitment to achieve highest standards of Corporate Governance in the overall interest of all the stakeholders.

### II. Board of Directors

#### A. Composition and category of Board

The Board of Directors of the Company consists of distinguished personalities with considerable professional expertise and experience in the fields of business & industry, finance, law and management. Your Company's policy is to maintain optimum combination of executive and non executive directors in compliance with the requirements of Clause 49 (I) (A) of the Listing Agreement. As on the date of this Report, the strength of the Board of Directors is Six (6) out of which three are independent Directors. Composition of the Board and category of the Directors is as below. The Chairman of your Company is Non Executive, Independent Director.

Sno.	Name of the Director	Category
1	Mr. Anil Bajjal	Independent Director and Chairman
2	Mr. P.L Agarwal	Independent Director
3	Mr. Rahul Saraf	Independent Director
4	Mr. K K Rathi	Non Executive Director
5	Mr. Rajesh R. Kalyani	Non Executive Director
6	Mr. Sumit Dabirwala	Managing Director

#### B. Board Meetings

The Board of Directors met five (5) times during the year ended March 31, 2012. The dates on which the Board Meetings were held during the year are as follows:

- |                        |                      |
|------------------------|----------------------|
| i) May 26, 2011        | ii) August 12, 2011  |
| iii) November 11, 2011 | iv) February 7, 2012 |
| v) March 30, 2012      |                      |

The provisions relating to the time period between two Boards meetings not to exceed 4 months have been complied.

#### C. Directors' attendance record and Directorships held

As mandated by Clause 49, none of the Directors are members of more than ten Board-level committees nor are they Chairman of more than five such committees. The details related to Directors attendance the Board and Annual General Meeting, other directorship etc. are as under:



Name of Director	Position	Meetings held during the year	Meetings attended	Whether attended last AGM	Number of Directorship of other public companies (excluding foreign Companies)	Committee Positions of other public companies		Pecuniary or business relation with the Company
						Chairman	Member including Chairman	
Mr. Anil Bajjal	Independent Director and Chairman	5	4	Yes	5	2	4	None
Mr. P L Agarwal	Independent Director	5	2	Yes	8	1	3	None
Mr. Rahul Saraf	Independent Director	5	1	No	3	Nil	Nil	None
Mr. K K Rath	Non Executive Director	5	5	No	11	Nil	8	None
Mr. Rajesh R. Kalyani	Non Executive Director	5	4	Yes	10	0	2	None
Mr. Sumit Dabhiwala	Managing Director	5	5	Yes	4	Nil	Nil	None

**Notes:**

- o Excludes Directorships in Private Limited Companies, Foreign Companies and Government Bodies.
- o In accordance with Clause 49, Membership / Chairmanship of only Audit Committees and Shareholder's / Investor's Grievance Committees of all Public Limited Companies have been considered.
- o The Directorship / Committee Membership is based on the latest disclosures received from Directors.
- o None of the Directors is a Member of the Board of more than 15 companies in terms of Section 275 of the Companies Act, 1956; Member of more than 10 committees and Chairman of more than 5 committees, across all the companies in which he is a director.
- o Video conferencing facility was made available to directors to participate in the proceedings of the Board and its committees. Attendance of Directors includes participation in the meeting(s) through video conference.

**Details of Directors seeking appointment at the forthcoming Annual General Meeting**
**i. Mr. Rahul Saraf:**

Mr. Rahul Saraf, the Managing Director of Forum Projects, has over 20 years of experience in the real estate industry. Rahul was instrumental in developing Forum, one of Kolkata's first shopping malls and won the prestigious "Brick and Mortar" Award for its quality construction, and was nominated for various retail awards. Rahul developed Forum Mart, one of country's first shopping mall in a tier three city. The India Today magazine acknowledged him as the "Mall Man of the East". Rahul Saraf was the Vice President of CREDAI Bengal the real estate developers' federation in West Bengal. He has been Chairman (Eastern Region) of the India Green Building Council. He is also one of the founding members of Shopping Centre Association of India (SCAI).

**ii. Mr. Rajesh Kalyani:**

Mr. Rajesh Kalyani is a member of the Institute of Chartered Accountants of India with 22 years of experience. He is in employment at a senior position with one of the leading organised retailer and has wide experience in areas of business planning, project & working capital management, properties, commercial & taxation matters.

**As mandated under Clause 49, the Independent Directors on FMNL's Board:**

- o do not have any material pecuniary relationships or transactions with the Company, its Promoters, Directors, Senior Management or its Holding Company, Subsidiaries and Associates which may affect independence as a Director.
- o are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.
- o have not been executive of the Company in the immediately preceding three financial years

- o are not partners or executives or were not partners or executives during the preceding three years of the:
  - (i) Statutory audit firm or the internal audit firm that is associated with the Company.
  - (ii) Legal firm (s) and consulting firm(s) that have a material association with the Company
- o are not material suppliers, service providers or customers or lessors or lessees of the Company, which may affect independence of the Director
- o are not substantial shareholders of the Company i.e. do not own two per cent or more of the block of voting shares
- o are not less than 21 years of age

#### D. Code of Conduct

The Company has laid down a Code of Conduct for all its Board Members and Senior Management Personnel for avoidance of conflicts of interest and ensuring the highest standards of honesty, dedication and professionalism in carrying out their functional responsibilities. The Company's Code of Conduct is in consonance with the requirements of Clause 49 of the Listing Agreement. The Code of Conduct is posted on the Company's website [www.fmn.co.in](http://www.fmn.co.in). The code has been circulated to all the members of the Board and senior management and the compliance of the same have been affirmed by them. There are no commercial or material financial transactions, with the senior management personnel, where there is a personnel interest that may have in a potential conflict with the interest of the Company at large.

#### E. Remuneration Paid or Payable to Director

Details of the remuneration paid / payable to the Directors for the financial year 2011-2012 is as below:

Name of Director	Sitting Fees Paid*	Salaries, allowances and perquisites+	Total
Anil Bajjal	80000	Nil	80000
P L Agarwal	60000	Nil	60000
Rahul Saraf	30000	Nil	30000
K K Rath	50000	Nil	50000
Rajesh R. Kalyani	70000	Nil	70000
Sumit Dabriwala	Nil	13923000	13923000

Notes:

\* Sitting fees include payment to the Directors for attending meetings of Board and Committee.

+ Perquisites include Company's contribution to provident fund and super annuation fund.

#### III. Board Committees

FMNL has Five (5) Board-level Committees – Audit Committee, Shareholders' / Investors' Grievance Committee, Share Transfer Committee, Compensation and Nomination Committee and Committee of Directors. All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference of the Committees are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

##### (a) Audit Committee

The composition, role and power of the Audit Committee meet the requirements of Clause 49 of the Listing Agreement as well as Section 292 A of the Companies Act, 1956. The Audit Committee comprises of Mr. Anil Bajjal, Mr. P L Agarwal Mr. Rahul Saraf and Mr. Rajesh Kalyani.

The members of the Audit Committee are paid sitting fees of Rs. 10,000/- for every meeting of the Committee attended by them. Chairman of the Committee is Mr. P L Agarwal, an independent director of the Company.

The terms of reference of the Audit Committee is in conformity with those mentioned in Clause 49 of the Listing Agreement of the Stock Exchanges as well as Section 292A of the Companies Act, 1956.

The Audit Committee met four (4) i.e on May 26, 2011, August 12, 2011, November 11, 2011 and February 7, 2012. The minutes of the meetings of the Audit Committee are reviewed and noted by the Board. The composition of the Committee and the attendance at the meetings of the Committee are given below:

Name of Member	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. P L Agarwal	Independent Director	Chairman	4	4
Mr. Anil Baijal	Independent Director	Member	4	4
Mr. Rahul Saraf	Independent Director	Member	4	2
Mr. Rajesh Kalyani	Non Executive Director	Member	4	3

Notes: All Members of the Audit Committee have accounting and financial management expertise.

**(i) Powers of the Audit Committee**

The Audit Committee of the Company supported by professional Internal Auditors, inter alia, provides reassurance to the Board on the effective internal control and compliance environment that ensures:

- o Efficiency and effectiveness of operations;
- o Reliability of financial and management information and adequacy of disclosures;
- o Safeguarding of assets and adequacy of provisions of all liabilities; and
- o Compliance with all relevant statutes.

**(ii) Terms of reference of the Audit Committee**

The functions of the Audit Committee of the Company include the following:

- o Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- o Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- o Reviewing with the management, performance of the statutory and internal auditors and adequacy of the internal control system.
- o To ensure compliance of Internal Control Systems and action taken on Internal Audit reports.
- o To appraise the Board on the impact of accounting policies, auditing standards and legislation.
- o To hold periodical discussions with statutory auditors on the nature and scope of the audit.
- o To review the Company's financial and risk management policies.
- o To carry out any other function as mentioned in the terms of reference of the Audit Committee.

**(b) Compensation and Nomination Committee**

The Board of Directors at their meeting held on February 7, 2012 has reconstituted Compensation / Remuneration Committee and renamed the same as Compensation and Nomination Committee.

**Composition:**

The Compensation and Nomination Committee comprises of three Directors, the majority of whom are Independent. Chairman of the Committee is Mr. Anil Baijal, an independent director of the Company. The composition of the Compensation and Nomination Committee is as follows:

Name of Member	Category
Mr. Anil Baijal	Independent Director
Mr. P.L Agarwal	Independent Director
Mr. Rajesh Kalyani	Non Executive Director

**Terms of Reference**

The Committee determines, reviews and recommends managerial remuneration in addition to reviewing overall compensation structure, Employee Stock Option Scheme and policies of the Company with a view to attract, retain and motivate employees, reviewing compensation levels of the Company's employees vis-à-vis other companies and industry in general.

The Committee did not meet during the financial year 2011-2012.

No sitting fee is paid to the members of the Compensation and Nomination Committee.

**(c) Share Transfer Committee**

The Share Transfer Committee of the Company comprises of Mr. K K Rath, Mr. Rajesh Kalyani and Mr. Sumit Dabirwala.

The committee is authorized to approve the Transfer/ Transmission of Shares, dematerialization and rematerialization of Shares, deletion of name, split, consolidation and issuance of duplicate shares and review from time to time. The committee oversees the performance of the Registrars and Share Transfer Agents i.e. Link Intime India Private Limited. The Committee met 4 times during the year ended March 31, 2012.

The composition of the Share Transfer Committee is given below:

Name of Member	Category
Mr. KK Rath	Non Executive Director
Mr. Rajesh Kalyani	Non Executive Director
Mr. Sumit Dabirwala	Managing Director

No sitting fee is paid to the members of the Share Transfer Committee.

**(d) Shareholders' / Investors' Grievance Committee**

The Shareholders' / Investors' Grievance Committee functions with the objective of looking into redressal of Shareholders' and Investors' grievances relating to non-receipt of dividend, fractional entitlement consequent to demerger, refund orders, shares sent for registration of transfer, Annual Report etc. The Committee consists of the following Directors:

Name of Member	Category	No. of Meetings held	No. of Meetings attended
Mr. P. L. Agarwal	Independent Director	4	2
Mr. Rajesh Kalyani	Non Executive Director	4	3
Mr. Sumit Dabirwala	Managing Director	4	4

There were no major complaints received from the Shareholders of the Company. The Complaints received were promptly replied by the Registrar and Share Transfer Agents of the Company. The Directors are not paid any sitting fees for attending the meeting of the aforesaid Committee.

Based on the report received from the Company's Registrars and Share Transfer Agent, during the year ended March 31, 2012, there was 14 Investor Complaints received and the same were processed. No complaints were outstanding as on March 31, 2012.

The Company Secretary of the Company has been nominated as the Compliance Officer of the Company.

**(e) Committee of Directors**

The Committee of Directors comprises of Mr. K K Rath, Mr. Rajesh Kalyani and Mr. Sumit Dabirwala. The committee of Directors is authorized to take decisions which are required for the day to day operations of the Company.

The composition of the Committee of Directors is given below:

Name of Member	Category
Mr. K K Rath	Non Executive Director
Mr. Rajesh Kalyani	Non Executive Director
Mr. Sumit Dabirwala	Managing Director

The committee met 10 times during the year. The Minutes of the meetings of Committee of Directors are reviewed and noted by the Board. No sitting fee is paid to the members of the Committee of Directors.

**IV. Subsidiary Monitoring Frame Work**

Pursuant to a Scheme of Amalgamation of Future Realtors India Private Limited, AIGL Holding And Investments Private Limited and Prudent Vintrade Private Limited with the Company, shareholding of various companies which were earlier held by the transferor companies transferred and now vested with the Company. As on 31<sup>st</sup> March 2012, it has eighteen (18) subsidiary companies. In compliance of the Clause 49 (III) (i) of the Listing Agreement, Mr. Rahul Saraf, independent Director of the Company is also a Director on the Board of Directors of Agre Properties & Services Limited, which is a material non-listed Indian Subsidiary of the Company.

**V. Code for Prevention of Insider Trading Practices**

Pursuant to the Securities and Exchange Board of India, (Prohibition of Insider Trading) Regulations 1992, a comprehensive code for prevention of Insider Trading is in place. The objective of the Code is to prevent

purchase and/or sale of shares of the Company by an insider on the basis of unpublished price sensitive information. Under this Code, Directors and designated employees are completely prohibited from dealing in the Company's shares during the closure of Trading Window. To deal in securities beyond specified limit, permission of Compliance Officer is mandated. All the designated employees are also required to disclose related information periodically as defined in the Code.

The Company Secretary of the Company has been nominated as the Compliance Officer of the Company.

## VI. General Body Meeting

The Company convenes Annual General Meeting (AGM) within the stipulated time period. The details of the AGM held since the date of incorporation i.e 10<sup>th</sup> March 2008 are given below:

### a. Details of the AGM held since the date of incorporation

Financial Year	Day, Date & Time	Venue	Special Resolution Passed
10/03/2008 to 31/03/2009	Wednesday, September 9, 2009 3.00 p.m	Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road, Jogeshwari East, Mumbai - 400060	Nil
2009-2010	Saturday September 18, 2010 3.00 p.m	Knowledge House, Shyam Nagar, Off. Jogeshwari - Vikhroli Link Road, Jogeshwari East, Mumbai - 400060	Nil
2010-2011	Wednesday September 28, 2011 2.00 p.m	Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018	Increase in % of investment by Foreign Institutional Investors in the Share Capital of the Company, not exceeding an aggregate 49% of the paid up share capital of the Company.

### b. Details of Special Resolutions passed at the Extraordinary General Meetings since the date of incorporation.

Financial Year	Day, Date & Time	Venue	Special Resolution Passed
2010-2011	Wednesday, June 9, 2010 3.00 p.m	Knowledge House, Shyam Nagar, Off. Jogeshwari – Vikhroli Link Road, Jogeshwari East Mumbai - 400060	To obtain the approval of the Shareholders for: <ul style="list-style-type: none"> <li>the Alteration of Articles of Association</li> <li>Cancellation of Paid Up Capital pursuant to the scheme of Arrangement between Pantaloon Retail (India) Limited, Future Mall Management Limited (Now Future Market Networks Limited) and Future Merchandising Limited (now Agre Properties and Services Limited)</li> </ul>
2010-2011	Saturday, August 28, 2010 11.30 a.m	Knowledge House, Shyam Nagar, Off. Jogeshwari – Vikhroli Link Road, Jogeshwari East Mumbai - 400060	To obtain the approval of the Shareholders for: <ul style="list-style-type: none"> <li>the Amendment of object clause.</li> <li>Increasing the Authorized Capital of the Company.</li> </ul>
2010-2011	Friday, September 20, 2010, 4.30 p.m	Knowledge House, Shyam Nagar, Off. Jogeshwari – Vikhroli Link Road, Jogeshwari East Mumbai - 400060	To obtain the approval of the Shareholders for: <ul style="list-style-type: none"> <li>Change in name of the Company</li> <li>Adoption of new set of Articles of Association.</li> </ul>

### c. Postal Ballot

During the year, a postal ballot was conducted pursuant to the provisions of Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules 2001, on the special resolutions as set out in the Notice dated November 28, 2011, seeking consent of the members for the Change in Name of the Company from "Agre Developers Limited" to "Future Market Networks Limited."

The said resolution was passed by the requisite majority and the result of the postal ballot was declared on January 11, 2012.

### Voting process & pattern

Mr. Alwyn D'souza, Practicing Company Secretary was appointed as the Scrutinizer for conducting postal ballot process in a fair and transparent manner.

The last date for receipt of the postal ballot forms duly completed by the shareholders was Monday, January 9, 2012.

### Special Resolution under Section 17 of the Companies Act, 1956.

S.No	Particulars	No. of postal ballot forms	No. of shares	% of total number of shares received through Postal Ballot
a	Total postal ballot forms received	478	5347874	100.00
b	Less: Invalid postal ballot forms (as per register)	36	6864	0.13
c	Net valid postal ballot forms (as per register)	442	5341010	99.87
d	Postal ballot forms with assent for (casted in favour)	424	5335967	99.78
e	Postal ballot forms with dissent for	18	5043	0.09
f	Postal ballot forms in which votes not exercised	0	0	0.00

The said resolution was passed by the requisite majority and the result of the postal ballot was declared on January 11, 2012.

## VII. Additional Shareholders information

- During the financial year 2011-12, there were no transactions of material nature with the directors or the management or their subsidiaries or relatives that had potential conflict with the interest of the Company.
- The Company has complied with the requirements of the Stock Exchanges/SEBI/and other Statutory Authorities on all matters related to capital markets during the last three years. No penalties or structure have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authorities.

### 3. Listing and Custodial Charges:

- At present, the Equity Shares of the Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Annual Listing fees for the year 2012-13 have been paid to NSE and BSE.
- The Company has paid custodial fees for the year 2012-13 to National Securities Depository Limited and Central Depository Services (India) Limited on the basis of number of beneficial accounts maintained by them as on March 31, 2012.

### 4. Annual General Meeting

AGM Date : August 14, 2012  
 Time & Venue : At 1.30 pm, Sunville Banquetes 9, Dr. Annie Besent Road, Worli, Mumbai - 400018

5. **Financial Year** : 1<sup>st</sup> April to 31<sup>st</sup> March

6. **Book Closure** : August 8, 2012 to August 10, 2012(both days inclusive)

### 7. Financial Calendar (tentative) :

First Quarterly Result : on or before 14<sup>th</sup> August  
 Second Quarterly Result : on or before 14<sup>th</sup> November  
 Third Quarterly Result : on or before 14<sup>th</sup> February  
 Financial year ending : on or before 30<sup>th</sup> May

## 8. Listing on Stock Exchanges :

### a) BSE Limited (BSE)

Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400 001      **Scrip Code** 533296

### b) National Stock Exchange of India Limited(NSE)

"Exchange Plaza", Bandra-Kurla Complex,  
Bandra (E), Mumbai 400 051      **Trading Symbol** - FMNL      **ISIN** : INE360L01017

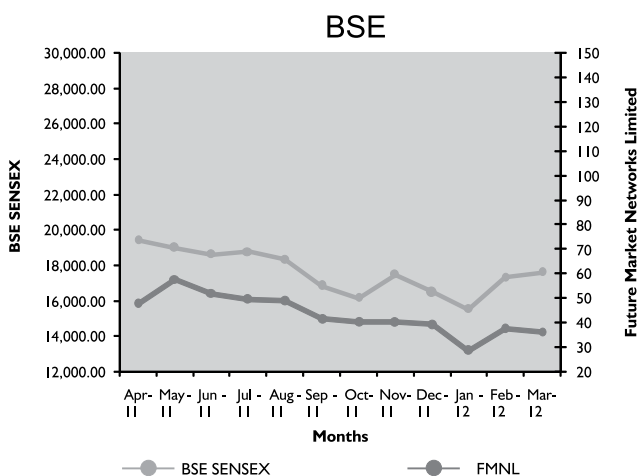
## 9. Stock Market Data

High, lows and Volumes of FMNL from April 1, 2011 to March 31, 2012 at BSE and NSE.

Month	BSE			NSE		
	High (Rs)	Low (Rs)	Volume (Number of Shares Traded)	High (Rs)	Low (Rs)	Volume (Number of Shares Traded)
April 2011	62.90	46.40	864765	63.30	46.35	1127200
May 2011	58.45	47.60	252950	59.90	47.60	280367
June 2011	56.80	46.00	323714	57.50	45.00	302781
July 2011	55.00	44.15	365435	55.00	44.00	562157
August 2011	50.50	38.80	158957	50.00	38.65	237916
September 2011	45.70	35.30	56927	49.30	38.00	102641
October 2011	42.95	33.25	38328	44.25	37.65	66118
November 2011	43.40	31.55	77680	45.45	32.40	132497
December 2011	42.50	28.60	41129	42.00	28.20	72680
January 2012	39.00	25.00	177654	39.40	26.00	369886
February 2012	39.25	32.00	688330	39.95	32.05	316620
March 2012	36.95	25.10	351724	36.90	27.00	101137

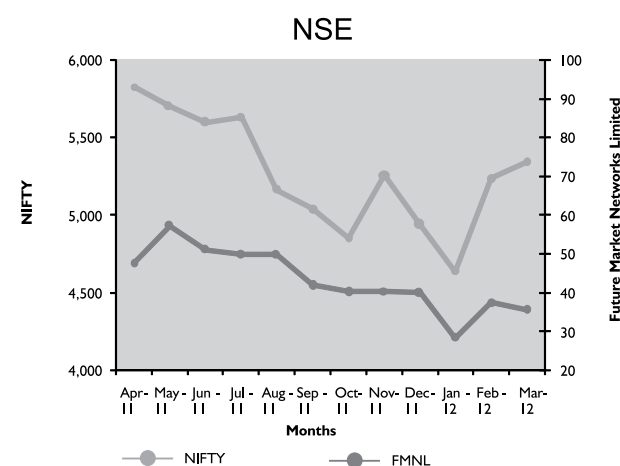
## Equity Share Performance compared to BSE Sensex

(Based on closing price / sensex of the 1st day of each month)



## Equity Share Performance compared to NIFTY

(Based on closing price / nifty of the 1st day of each month)





## 10. Distribution of Shareholding

The distribution of the shareholding of the Equity Shares of the Company by size and by ownership class as on March 31, 2012 is as below:

### i. Distribution of shareholding as on March 31, 2012

Distribution Range of Shares	No. of Shares	% of shares	No. of Shareholders	% of Shareholders
1 - 500	571579	1.02	18180	96.28
501 - 1000	249391	0.44	306	1.62
1001 - 2000	237514	0.43	155	0.82
2001 - 3000	190209	0.34	74	0.38
3001 - 4000	117471	0.21	33	0.18
4001 - 5000	103482	0.19	22	0.12
5001 - 10000	296545	0.53	42	0.22
Greater than 10000	54088215	96.84	70	0.38
<b>Total</b>	<b>55854406</b>	<b>100.00</b>	<b>18882</b>	<b>100.00</b>

### ii. Shareholding pattern by ownership as on March 31, 2012

Categories	As on March 31, 2012	
	No. of Shares	Percentage
Promoters, Directors, Relatives and Associates	38386700	68.73
Foreign Institutional Investor/ Mutual Funds	233798	0.42
Public Financial Institutions / State Financial Corporation / Insurance Companies	607868	1.09
Mutual Funds (Indian) and UTI	609655	1.09
Nationalized and other Banks	830	0.00
NRI / OCBs	23340	0.04
Public	2038060	3.65
Others (CBP/CM)	13954155	24.98
<b>Total</b>	<b>55854406</b>	<b>100.00</b>

## 11. Dematerialization of Shares

As on March 31, 2012, 52659151 Equity Shares representing 94.28% of the total equity capital of the Company were held in dematerialized form. The bifurcation of shares held in Physical and Demat form as on March 31, 2012\*, are given below:

Particulars	No. of Shares	Percentage
Physical Segment	3195255	5.72
Demat Segment*		
NSDL	51735741	92.63
CSDL	923410	1.65
<b>Total</b>	<b>55854406</b>	<b>100.00</b>

\* 4,46,83,440 equity shares of Rs.10/- each have been allotted on March 27, 2012 to the shareholders of the transferor companies pursuant to Scheme of Amalgamation of Future Realtors India Private Limited, AIGL Holding & Investments Private Limited and Prudent Vintrade Private Limited with the Company, sanctioned by the Hon'ble High Court of Bombay on January 20, 2012. 4,15,55,570 equity shares have been credited to the respective demat accounts through corporate action on May 8, 2012 by the depository (NSDL) subsequent to the receipt of listing approval from BSE and NSE.



12. Physical Shares are transferred at the office of M/s Link Intime India Pvt Ltd., C/13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W) Mumbai-400078, the Registrar & Transfer Agent of the Company. Any query or complaint may be referred to the said address.

**13. Shares held in Abeyance and Fractional Shares**

570 Equity shares of the Company which have been issued under the scheme of demerger with Pantaloon Retail India Limited (PRIL) are kept in abeyance and the said shares will be allotted subsequent to completion of legal formalities to allot the original shares in PRIL which are currently held in abeyance.

Fractional shares on the allotment of shares subsequent to the demerger of the Company from Pantaloon Retail India Limited were sold in the open market and the proceeds of the same were proportionately distributed to shareholders who were entitled to such fractional shares.

Fractional entitlement shares on the allotment of shares pursuant to the Scheme of Amalgamation of Future Realtors India Private Limited, AIGL Holding And Investments Private Limited and Prudent Vintrade Private Limited with the Company were consolidated in the hands of a nominated person and equity shares were issued and allotted to such person and the said shares shall be sold by him at a suitable time. The sale proceeds of these shares will be proportionately distributed to shareholders who were entitled to such fractional shares.

**14. Means of Communication:**

- a) Quarterly Results were published in newspapers, viz., Free Press Journal and Navshakti.

The Company has its own web site and all vital information relating to the Company and its products etc have been uploaded on the web site for the benefit of the public at large. Company's web site address is [www.fmn.co.in](http://www.fmn.co.in)

- b) Management Discussion and Analysis forms part of the Annual Report.

**15. Share Transfer system:**

The Company's shares are traded in Stock Exchange compulsorily in demat mode. Shares in physical mode which are lodged for transfer are processed and returned to the shareholders within 15-20 days from the date of receipt.

**16. Address for correspondence:**

**i. Any Query on Annual Report:**

Mr. Anil Cherian  
Company Secretary  
Knowledge House  
Shyam Nagar, Jogeshwari – Vikhroli Link Road  
Jogeshwari (E), Mumbai 400 060  
Phone: 022 66201473  
Fax: 022 66201462  
Email id for investors: [anil.cherian@futuregroup.in](mailto:anil.cherian@futuregroup.in)

**ii. Shareholders correspondence should be addressed to:**

M/s Link Intime India Pvt Ltd.  
C/13, Pannalal Silk Mills Compound  
L.B.S. Marg, Bhandup (W)  
Mumbai-400078  
Phone: 022-2596 3838  
Fax: 022-2594 6969

Shareholders holding shares in electronic mode should address their correspondence to their respective Depository Participants.

**17. Compliance on Clause 49 of the Listing Agreement**

In so far as compliance with the requirements of Clause 49 of the listing Agreement with the stock exchanges for the year ended March 31, 2012, the Company has complied with the mandatory norms and disclosures that have to be made in Corporate Governance report. The Company has not adopted any non mandatory requirements suggested under the Corporate Governance. The Statutory Auditors have certified that the Company has complied with conditions of Corporate Governance as stipulated in Clause 49 and the certificate is annexed to this report.



## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members,

Future Market Networks Limited

(formerly known as Agre Developers Limited)

We have examined the compliance of conditions of Corporate Governance by Future Market Networks Limited for the year ended on March 31, 2012, as stipulated in clause 49 of the Listing Agreement of the said company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

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

**Navin T Gupta**  
Partner  
Membership No. 40334

Place : Mumbai  
Date : May 30, 2012

# Financial Statements and Notes

## AUDITORS' REPORT

**The Members of  
Future Market Networks Limited  
(Formerly known as Agre Developers Limited)**

1. We have audited the attached Balance Sheet of **Future Market Networks Limited** (Formerly Known as Agre Developers Limited) as at March 31, 2012 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 in Paragraph 3 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, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with significant accounting policies and other notes to accounts thereon 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, 2012;
    - b) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
    - c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For NGS & Co.**

Chartered Accountants  
Firm Registration No. 119850W

**Navin T. Gupta**

Partner  
Membership No : 40334

Mumbai  
Date: May 30, 2012.

**ANNEXURE TO THE AUDITORS REPORT**  
**Re: Future Market Networks Limited ('the Company')**

With reference to the Annexure referred to in Paragraph 3 of the report of the Auditors to the members of the company for the year ended March 31, 2012, 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 did not have any inventory. Therefore, provisions of Clause (ii) of Paragraph 4 of the Order are not applicable to the Company.
- iii. a) There are six companies covered in the register maintained under section 301 of the Act to which the Company has granted unsecured loans. The maximum amount outstanding during the year was Rs 10,918.16 lakhs and the year-end balance was Rs 5,597.49 lakhs.  
b) Since the loans are interest free and there are no covenants as to the repayment of loans, we are unable to comment whether such loans are prejudicial to the interests of the Company.  
c) The loans given are repayable on demand. The borrowers have repaid the amount as and when demanded by the Company, thus there has been no default on the part of the parties to whom money has been lent and the payment of interest has been regular.  
d) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the Company.  
e) The Company had taken loans from two companies covered in the register maintained under section 301 of the Act. The maximum amount outstanding during the year was Rs 11,841.31 lakhs and the year end balance was Rs 3,361.71 lakhs.  
f) In our opinion, the rate of interest and other terms and conditions for such loans are not, prima facie, prejudicial to the interest of the Company.  
g) The loans taken are repayable on demand. The Company has repaid the amounts as demanded by the lenders from time to time and thus there has been no default in part of the Company. The payment of interest has been regular.
- iv. In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for purchase of fixed assets and for the sale of services. There were no transactions for purchase and sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. Further, we have not observed any continuing failure to correct major weakness in internal control system of the Company.
- v. In respect of particulars of contracts or arrangements and transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956.
  - a. To the best of our knowledge and belief and according to the information and explanations given to us, particulars of contracts or arrangements that needed to be entered into the register have been so entered.
  - b. In our opinion, the transactions made in pursuance of such contracts or arrangements and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 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. Therefore, the provisions of clause (vi) of Paragraph 4 of the Order are not applicable to the company.
- vii. In our opinion, the internal audit functions carried out during the year by a firm 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 neither engaged in manufacturing, processing, production and mining activities, to the best of our knowledge and belief, Section 209(1)(d) are not applicable to the Company. Therefore, the provisions of clause 4(viii) of Paragraph 4 of the Order are not applicable to the Company.
- ix. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident funds, investor education and protection fund, employee's state insurance, income-tax, wealth tax, service tax, sales-tax, customs duty, excise duty, cess and undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable
- (c) The disputed statutory dues that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Name of the Statute	Nature of the dues	Amount (Rs.)	Period	Forum
Income Tax Act, 1961	Tax Liability on Regular Assessment	23.67 lakhs	A.Y. 2009-10	CIT (Appeals)

- 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 management, we are of the opinion that the Company has not defaulted in repayment of dues to bank. There were no dues repayable to financial institutions and debenture holders during the year.
- xii. According to the information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of Paragraph 4 of the Order are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore provisions of clause (xiv) of Paragraph 4 of the Order are not applicable to the Company.
- xv. In our opinion, the terms and conditions on which the Company has given guarantee for loans taken by others from banks or financial institutions are not, prima facie, prejudicial to the interest of the Company.
- xvi. In our opinion, the Company has applied the term loans for the purpose for which the loans were obtained.
- xvii. According to information and explanations given to us and on overall examination of the Balance Sheet and Cash Flow Statement of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii. According to the information and explanations given to us, the Company has not made any preferential allotments of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956. Therefore the provisions of clause (xviii) of Paragraph 4 of the Order are not applicable to the Company.
- xix. The Company did not issue or have any outstanding debentures during the year.
- xx. The Company has not raised any money by public issues during the year. Therefore, the provisions of clause (xx) of Paragraph 4 of the Order are 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.

**For NGS & Co.**

Chartered Accountants  
Firm Registration No. 119850W

**Navin T. Gupta**

Partner  
Membership No : 40334

Mumbai  
Date: May 30, 2012.

**BALANCE SHEET AS AT MARCH 31, 2012**
**(Rs. in Lacs)**

Particulars	Note	As at March 31, 2012	As at March 31, 2011
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share Capital	2	5,585.44	1,117.10
Reserves and Surplus	3	36,168.93	25,275.57
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	4	19,250.00	-
Deferred Tax Liabilities (Net)		-	3.65
Long-Term Provisions	5	14.73	36.47
<b>Current Liabilities</b>			
Short-Term Borrowings	6	7,365.10	180.36
Trade Payables	7	492.30	735.77
Other Current Liabilities	8	7,351.82	197.27
Short-Term Provisions	9	2.94	29.56
<b>TOTAL</b>		<b>76,231.26</b>	<b>27,575.75</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	10	316.92	339.43
Capital work-in-progress		-	214.28
Non-Current Investments	11	48,441.92	25,480.25
Long-Term Loans and Advances	12	3,704.82	0.04
<b>Current Assets</b>			
Trade Receivables	13	2,476.60	1,079.01
Cash and Bank Balances	14	60.11	53.84
Short-Term Loans and Advances	15	21,230.89	408.90
<b>TOTAL</b>		<b>76,231.26</b>	<b>27,575.75</b>
Significant Accounting Policies	1		
Notes to the financial statements	1 - 36		

**The accompanying notes are an integral part of the financial statements.**

As per our report of even date attached

**For NGS & Co.**  
Chartered Accountants

**Navin T. Gupta**  
Partner  
Membership No.40334

Place : Mumbai  
Date : May 30, 2012

**For and on behalf of the Board of Directors**
**Sumit Dabriwala**  
Managing Director

**P.L. Agarwal**  
Director

**Rajesh Kalyani**  
Director

**Naina Hegde**  
Chief Financial Officer

**Anil Cherian**  
Company Secretary

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

(Rs. in Lacs)

Particulars	Note	2011-12	2010-11
<b>INCOME:</b>			
Revenue from Operations	16	2,929.06	2,434.48
Other Income	17	4,461.67	44.89
<b>Total Revenue</b>		<b>7,390.73</b>	<b>2,479.37</b>
<b>EXPENSES:</b>			
Cost of Services	18	307.03	285.43
Employee Benefit Expenses	19	1,473.50	1,134.93
Finance Costs	20	4,378.27	0.52
Depreciation	10	22.42	21.25
Other Expenses	21	1,332.97	973.70
<b>Total Expenses</b>		<b>7,514.19</b>	<b>2,415.83</b>
<b>Profit/(Loss) before Tax</b>		<b>(123.46)</b>	<b>63.54</b>
Tax Expense:			
(1) Current tax		-	25.01
(2) Deferred Tax		(3.65)	3.65
<b>Profit/(Loss) after Tax</b>		<b>(119.81)</b>	<b>34.88</b>
<b>Earnings Per Equity Share</b>			
Equity Shares of Face Value Rs. 10 each			
Basic and Diluted (Rs.)		<b>(0.21)</b>	0.31
Significant Accounting Policies	1		
Notes to the financial statements	1 - 36		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

**For NGS & Co.**  
Chartered Accountants

**Navin T. Gupta**  
Partner  
Membership No.40334

**For and on behalf of the Board of Directors**

**Sumit Dabriwala**  
Managing Director

**P.L. Agarwal**  
Director

**Rajesh Kalyani**  
Director

Place : Mumbai  
Date : May 30, 2012

**Naina Hegde**  
Chief Financial Officer

**Anil Cherian**  
Company Secretary



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012.****1. Significant accounting policies:****1.1 Basis of preparation:**

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles in India (Indian GAAP) in compliance with the provisions of Companies Act, 1956 and the Accounting Standards as specified in the Companies (Accounting Standard) Rules 2006 (as amended) and the provisions of the Companies Act, 1956.

**1.2 Use of estimates:**

The preparation of financial statements in conformity with Indian GAAP requires that the management to make judgments, estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in the future periods.

**1.3 Fixed Assets And Depreciation:**

- i. Fixed assets are stated at cost, 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. Any trade discounts and rebates are deducted in arriving at the purchase price. Borrowing costs are capitalized only if capitalization criteria are met.
- ii. Depreciation on tangible assets is provided on Straight Line Method at the rates prescribed under Schedule XIV to the Companies Act, 1956.

**1.4 Impairment of Assets:**

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

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**1.5 Investments:**

Long term investments are stated cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary.

**1.6 Revenue Recognition:**

Revenue is recognized based on the nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery.

- i. Revenue from services rendered is recognised as the service is performed based on agreements/ arrangement with concerned parties and revenue from end of the last billing to the balance sheet date is recognised as unbilled revenue.
- ii. Interest income is recognized on time proportion basis taking into account the amount outstanding and applicable interest rates.
- iii. Other items of income are accounted as and when the right to receive arises.

**1.7 Employee Benefits**

- i. All employee benefits falling due within twelve months of rendering the services are classified as short term employee benefits. Benefits like salaries, wages, short term compensated absences etc and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service
- ii. Retirement benefits in the form of Provident Fund and Employees State Insurance Scheme are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- iii. Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial period.



- iv. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.
- v. Actuarial gains/losses are recognized immediately in the Profit and Loss Account.

#### 1.8 Provision for Current and Deferred Tax:

Provision for current tax is made after taking into consideration benefits admissible under the provision of the Income Tax Act 1961. Deferred tax resulting from "Timing Difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on balance sheet date. Deferred tax assets is recognised and carried forward only to the extent that there is virtual certainty that the asset will be realized in future.

#### 1.9 Provision, 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 disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

## 2. Share Capital

(Rs. in Lacs)		
Particulars	As at March 31, 2012	As at March 31, 2011
<b>Authorised Capital</b>		
80,210,000 (20,000,000) Equity Shares of Rs.10/- each	8,021.00	2,000.00
5,000 (NIL) Preference Shares of Rs.100/- each	5.00	-
	<u>8,026.00</u>	<u>2,000.00</u>
<b>Issued Capital*</b>		
55,854,976 (11,171,536) Equity Share of Rs 10/- each	5,585.50	1,117.15
	<u>5,585.50</u>	<u>1,117.15</u>
<b>Subscribed and Paid up</b>		
55,854,406 (11,170,966) Equity Share of Rs 10/- each fully paid up	5,585.44	1,117.10
	<u>5,585.44</u>	<u>1,117.10</u>

\* Includes 570 shares in abeyance

#### a) Reconciliation of the shares outstanding is set out below:

Particulars	March 31, 2012		March 31, 2011	
	No. of Shares	Amount (Rs. in Lacs)	No. of Shares	Amount (Rs. in Lacs)
At the beginning of the year	11,170,966	1,117.10	50,000	5.00
Issued as per the scheme of amalgamation	44,683,440	4,468.34	-	-
Issued as per the scheme of demerger	-	-	11,170,966	1,117.10
Cancelled as per the scheme of demerger	-	-	(50,000)	(5.00)
<b>At the end of the year</b>	<u>55,854,406</u>	<u>5,585.44</u>	<u>11,170,966</u>	<u>1,117.10</u>

#### b) Terms/rights attached to equity shares.

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees.

In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distributions will be in proportion to the number of equity shares held by shareholder.

**c) Details of shareholders holding more than 5% shares.**

Name of the Shareholder	As at March 31, 2012		As at March 31, 2011	
	No. of Shares	% held	No. of Shares	% held
Manz Retail Private Limited	16,430,824	29.41%	-	-
Future Corporate Resources Limited	12,676,754	22.70%	4,113,387	36.82%
PIL Industries Limited	-	-	715,214	6.40%
Future Ideas Realtors India Limited	8,563,367	15.33%	-	-
Rhamni Projects Private Limited	8,042,291	14.40%	-	-
Ishbhoomi Mall Management Private Limited	3,127,870	5.60%	-	-
<b>Total</b>	<b>48,841,106</b>	<b>87.44%</b>	<b>4,828,601</b>	<b>43.22%</b>

**d) Aggregate number and class of shares allotted as fully paid up pursuant to scheme of demerger/ amalgamation without payment being received in cash.**

Particulars	March 31, 2012		March 31, 2011	
	No. of Shares	Amount (Rs. in Lacs)	No. of Shares	Amount (Rs. in Lacs)
Equity Share of Rs 10/- each fully paid up				
As per the scheme of amalgamation	44,683,440	4,468.34	-	-
As per the scheme of Demerger	-	-	11,170,966	1,117.10
	<b>44,683,440</b>	<b>4,468.34</b>	<b>11,170,966</b>	<b>1,117.10</b>

**3. Reserves and Surplus**

Particulars	(Rs. in Lacs)	
	As at March 31, 2012	As at March 31, 2011
<b>Capital Reserve</b>		
As per last Balance Sheet	-	-
Add: on scheme of Amalgamation	11,161.91	-
Less: Utilised as per Amalgamation scheme	148.73	-
	<b>11,013.18</b>	-
<b>Securities Premium</b>		
As per last Balance Sheet	25,241.47	-
Add: on scheme of Demerger	-	25,241.47
	<b>25,241.47</b>	<b>25,241.47</b>
<b>Profit and Loss Account</b>		
As per last Balance Sheet	34.09	(0.79)
Add: Profit/(Loss) for the year	(119.81)	34.88
	<b>(85.72)</b>	<b>34.09</b>
	<b>36,168.94</b>	<b>25,275.57</b>

**4. Long-Term Borrowings**

Particulars	(Rs. in Lacs)	
	As at March 31, 2012	As at March 31, 2011
<b>Secured</b>		
<b>Term Loan from Banks</b>	<b>19,250.00</b>	-
(Secured by immovable property owned by 2 subsidiary companies and Ishrupa Mall Management Company Private limited and personal guarantee of promoters)		
<b>(Rs. 87,52,00,000 and Rs. 10,49,80,000 is repayable in 2013-14 and 2014-15 respectively. Rate of interest is 14.50% p.a.)</b>		
	<b>19,250.00</b>	-

## 5. Long-Term Provisions

(Rs. in Lacs)

Particulars	As at March 31, 2012	As at March 31, 2011
<b>Provision for Employee Benefits</b>		
Provision for gratuity	8.89	23.60
Provision for leave encashment	5.84	12.87
	<u>14.73</u>	<u>36.47</u>

## 6. Short-Term Borrowings

(Rs. in Lacs)

Particulars	As at March 31, 2012	As at March 31, 2011
<b>(Unsecured, repayable on demand)</b>		
Loans and advances from related parties (Includes interest free loan/advance Rs. 1066.90 lacs; 2010-11: Rs. 1803.60 lacs) (Rate of interest is 8% to 14.75%)	3,724.24	180.36
Loans and advances from others (Includes interest free loan/advance Rs. 3472.36 lacs; 2010-11: Rs. NIL) Rate of interest is 14.50%)	3,640.86	-
	<u>7,365.10</u>	<u>180.36</u>

## 7. Trade Payables

(Rs. in Lacs)

Particulars	As at March 31, 2012	As at March 31, 2011
Trade Payables (Refer Note No. 36)	492.30	735.77
	<u>492.30</u>	<u>735.77</u>

## 8. Other Current Liabilities

(Rs. in Lacs)

Particulars	As at March 31, 2012	As at March 31, 2011
Current Maturities of Long-Term debt	7,000.00	-
Advance received from customers	3.24	66.69
Other liabilities*	348.58	130.58
	<u>7,351.82</u>	<u>197.27</u>

\* includes statutory dues, advance from customers and provision for expenses

## 9. Short-Term Provisions

(Rs. in Lacs)

Particulars	As at March 31, 2012	As at March 31, 2011
<b>Provision for Employee Benefits</b>		
Provision for gratuity	0.99	8.38
Provision for leave encashment	1.95	12.24
Provision for Income Tax (Net of TDS)	-	8.94
	<u>2.94</u>	<u>29.56</u>

10. Fixed Assets

(Rs. in Lacs)

Particulars	Gross Block					Depreciation					Net Block	
	As at April 1, 2011	Addition as per scheme of amalgamation*	Additions during the year	Sale/ Disposal during the year	As at March 31, 2012	Upto April 1, 2011	Addition as per scheme of amalgamation*	For the year	Adjustment	Upto March 31, 2012	As at March 31, 2012	As at March 31, 2011
Air Conditioner	15.87	-	-	-	15.87	3.38	-	0.75	-	4.14	11.73	12.49
Leasehold Improvement	145.33	-	-	-	145.33	17.41	-	2.37	-	19.78	125.55	127.91
Computers and Software	35.00	1.02	10.31	15.01	31.33	18.03	0.75	6.72	1.60	23.89	7.43	16.97
Electrical Installation	83.32	-	-	-	83.32	15.98	-	3.96	-	19.94	63.38	67.33
Furniture and Fittings	131.16	-	-	-	131.16	21.49	-	8.30	-	29.79	101.37	109.68
Office and Other Equipment	4.36	0.08	1.12	-	5.56	0.29	-	0.23	-	0.52	5.04	4.07
Plant and Machinery	1.19	-	1.53	-	2.72	0.21	-	0.08	-	0.30	2.42	0.98
Total	416.22	1.10	12.97	15.01	415.28	76.79	0.75	22.42	1.60	98.36	316.92	339.43
Previous Year	-	404.05	12.17	-	-	-	55.54	21.25	-	-	-	-

\*(See Note No. 24)

## 11. Non-Current Investments

(Rs. in Lacs)

Particulars	As at March 31, 2012	As at March 31, 2011
<b>Non - Trade Investment (Valued at cost unless stated otherwise)</b>		
<b>Unquoted</b>		
<b>Investments in Equity Shares of</b>		
<b>Subsidiary Companies</b>		
<b>Equity Shares of Rs.10/- each fully paid up</b>		
50,000 Equity Shares of Agre Properties and Services Limited	25,479.25	25,479.25
10,000 Equity Shares of Precision Realty Developers Private Limited	1.00	1.00
10,000 Equity Shares of Acute Realty Private Limited	531.52	-
10,000 Equity Shares of Kshitij Retail Destination Private Limited	273.34	-
11,36,600 Equity Shares of Suncity Properties Private Limited	1,295.52	-
1,00,000 Equity Shares of Aashirwad Malls Private Limited	567.58	-
48,60,000 Equity Shares of KB Mall Management Company Limited	5,474.12	-
10,000 Equity Shares of Nishta Mall Management Company Private Limited	230.08	-
10,000 Equity Shares of Niyman Mall Management Company Private Limited	782.58	-
10,000 Equity Shares of Ojas Mall Management Private Limited	1.00	-
10,000 Equity Shares of Shreya Mall Management Private Limited	1.00	-
10,000 Equity Shares of Unique Malls Private Limited	233.35	-
10,000 Equity Shares of Aabha Hotels Private Limited	9.00	-
10,000 Equity Shares of Future Retail Destination Private Limited	1.00	-
10,000 Equity Shares of Harmony Mall Management Private Limited	1.00	-
15,000 Equity Shares of Star Shopping Centers Private Limited	1.50	-
6,14,161 Equity Shares of Future Trade Markets Private Limited	3,866.00	-
7,03,606 Equity Shares of Suhani Mall Management Company Private Limited	1,681.29	-
<b>Joint Ventures</b>		
<b>Equity Shares of Rs.10/- each fully paid up</b>		
5,000 Equity Shares of Riddhi Siddhi Mall Management Company Private Limited	63.87	-
2,400 Equity Shares of Vishnu Mall Management Company Private Limited	0.24	-
<b>Associate</b>		
<b>Equity Shares of Rs.10/- each fully paid up</b>		
65,000 Equity Shares of Riverbank Developers Private Limited	5,621.05	-
<b>Others</b>		
<b>Equity Shares of Rs.10/- each fully paid up</b>		
1,65,000 Equity Shares of Calcutta Metropolitan Group Limited	2,224.99	-
<b>Investments in Preference Shares of</b>		
<b>Joint Ventures</b>		
10,00,000 Compulsorily Convertible Preference Shares of Vishnu Mall Management Company Private Limited of Rs 10/- each fully paid up	100.00	-
164 0.01% Non Cumulative Optionaly Convertible Preference Shares of Riddhi Siddhi Mall Management Company Private Limited of Rs. 1,000/- each fully paid up.	1.64	-
<b>Aggregate cost of unquoted investment</b>	<b>48,441.92</b>	<b>25,480.25</b>

**12. Long-Term Loans and Advances**
**(Rs. in Lacs)**

Particulars	As at March 31, 2012	As at March 31, 2011
<b>(Unsecured, Considered Good)</b>		
Capital Advances	5.00	-
Security Deposits	0.43	0.04
<b>Other Loans and Advances</b>		
Business advances	2,540.00	-
Deduction of Income Taxes (Net of Provision for Income tax)	446.80	-
MAT Receivable	427.59	-
Share Application money	285.00	-
	<u>3,704.82</u>	<u>0.04</u>

**13. Trade Receivables**
**(Rs. in Lacs)**

Particulars	As at March 31, 2012	As at March 31, 2011
<b>(Unsecured)</b>		
- Outstanding for a period exceeding six months		
Considered Doubtful	30.32	3.54
Considered Good	968.47	347.94
Less: Provision for Doubtful Debts	30.32	3.54
	<u>968.47</u>	<u>347.94</u>
- Other debts considered good	1,508.13	731.07
	<u>2,476.60</u>	<u>1,079.01</u>

**14. Cash and Bank Balances**
**(Rs. in Lacs)**

Particulars	As at March 31, 2012	As at March 31, 2011
Cash on Hand	6.51	0.84
Balance with Banks:		
In current accounts	53.60	53.00
	<u>60.11</u>	<u>53.84</u>

**15. Short-Term Loans and Advances**
**(Rs. in Lacs)**

Particulars	As at March 31, 2012	As at March 31, 2011
<b>Unsecured, Considered Good</b>		
Loans and advances to related parties (Repayable on demand, carries interest rate 10%-18%, interest free loan/advance Rs 1063.30 Lacs)	20,438.63	240.77
Loans and advances to others (Repayable on demand, carries interest rate 14.75%)	128.17	-
Deposits	33.60	37.83
Share Application money	613.00	-
Unbilled revenue	-	95.00
Other advances*	17.49	35.30
	<u>21,230.89</u>	<u>408.90</u>

\* includes loans/advance to employees

**16. Revenue from Operations****(Rs. in Lacs)**

	2011-12	2010-11
Mall Maintenance	1,364.00	1,401.48
Project Management Consultancy	1,442.34	905.82
Other Operating Income	122.72	127.18
	<u>2,929.06</u>	<u>2,434.48</u>

**17. Other Income****(Rs. in Lacs)**

	2011-12	2010-11
Interest Income	2,976.14	5.31
Net Gain on sale of Current Investments	1,450.00	-
Miscellaneous Income	35.53	39.58
	<u>4,461.67</u>	<u>44.89</u>

**18. Cost of Services****(Rs. in Lacs)**

	2011-12	2010-11
Mall Maintenance Charges	307.03	285.43
	<u>307.03</u>	<u>285.43</u>

**19. Employee Benefit Expenses****(Rs. in Lacs)**

	2011-12	2010-11
Salaries, Wages and Bonus	1,427.78	1,067.61
Contribution to Provident and Other Funds	52.82	31.16
Staff Welfare Expenses	11.70	6.32
Gratuity and Leave Encashment	(18.80)	29.84
	<u>1,473.50</u>	<u>1,134.93</u>

**20. Finance Costs****(Rs. in Lacs)**

	2011-12	2010-11
Interest Expenses	4,378.27	0.52
	<u>4,378.27</u>	<u>0.52</u>



**21. Operating and Other Expenses**
**(Rs. in Lacs)**

	2011-12	2010-11
Power and Fuel	391.46	363.13
Repairs and Maintenance - Others	252.97	204.69
Rent	217.55	80.27
Auditors' Remuneration		
- Statutory Audit Fees	2.50	1.25
- Tax Audit Fees	0.50	0.25
- Other Services	0.31	0.70
Rates and Taxes	2.95	1.96
Insurance	3.22	14.48
Professional Fees	213.29	77.40
Director Sitting Fees	2.90	1.50
Provision for Doubtful Debts	26.78	3.54
Staff Hire Charges	45.32	-
Travelling and Conveyance Expenses	57.46	107.00
Other Expenses	115.75	117.53
Loss on sale of Fixed Assets	0.01	-
	<b>1,332.97</b>	<b>973.70</b>

**22.** Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. NIL (2010-11: Rs. NIL).

**23. Contingent Liabilities not provided for:**

- Corporate Guarantee given to bank on behalf of Group Companies - Rs. 10,500 lacs (2010-11: Rs. NIL)
- Disputed Income Tax demand Rs. 23.67 lacs (2010-11: Rs. NIL)

Based on the decisions of Appellate authorities and the interpretation of other relevant provisions, the company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.

**24. Scheme of Amalgamation:**
**Amalgamation of Future Realtors (India) Private Limited, Prudent Vintrade Private Limited and AIGL Holding and Investments Private Limited with the Company.**

During the year a scheme of amalgamation between the company and Future Realtors (India) Private Limited, Prudent Vintrade Private Limited and AIGL Holding and Investments Private Limited (amalgamating companies) under section 391 to 394 and other provision of the Companies Act, 1956 was filed in the High Court. Under the scheme entire assets and liabilities of Future Realtors (India) Private Limited, Prudent Vintrade Private Limited and AIGL Holding and Investments Private Limited were to vest with the Company with effect from April 1, 2011 ("Appointed Date"). The said scheme was approved by the Hon'ble High Court of Judicature at Bombay on January 20, 2012. The Company filed the certified copy of the court order approving the scheme with the Registrar of Companies (ROC), Mumbai on February 10, 2012 ("Effective Date") as required under the applicable provisions of Companies Act, 1956. According the said scheme became effective from April 1, 2011 ("Appointed Date") on February 10, 2012 ("Effective Date")

The method of accounting employed by the company (As per the approved scheme)

- a) The Company recorded all assets and liabilities at their respective fair values.
- b) Allotted 4,46,83,440 equity shares of Rs. 10/- each to the shareholders of Future Realtors (India) Private Limited, Prudent Vintrade Private Limited and AIGL Holding & Investments Private Limited as consideration under the scheme.
- c) The excess of fair value of assets over liabilities has been credited to Capital Reserve.

**25. Scheme of Amalgamation:****i. Amalgamation of Agre Properties & Services Limited, wholly owned subsidiary, with the Company**

Agre Properties & Services Limited, a wholly owned subsidiary of the Company, on May 08, 2012 filed a scheme of amalgamation with the company with the Hon'ble High Court of Judicature at Mumbai. The scheme shall be given effect in the books with effect from appointed date of April 1, 2011 upon receipt of necessary approval.

**ii. Amalgamation of KB Mall Management Company Limited, wholly owned subsidiary, with the Company**

KB Mall Management Company Limited, a wholly owned subsidiary of the Company, on May 08, 2012 filed a scheme of amalgamation with the company with the Hon'ble High Court of Judicature at Mumbai. The scheme shall be given effect in the books with effect from appointed date of January 1, 2012 upon receipt of necessary approval.

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

**A. Change in Present Value of Obligation (Rs. in Lacs)**

Particulars	Gratuity (Unfunded)	Leave Encashment (Unfunded)
Present Value of the Obligation as on April, 2011	31.98 (14.46)	25.11 (23.83)
Interest Cost	2.56 (NIL)	2.01 (NIL)
Current Service Cost	4.80 (6.05)	3.32 (4.18)
Benefits Paid	8.38 (6.81)	12.24 (4.23)
Actuarial (gain)/ loss on obligations Gain	(21.08)	(10.41)
Actuarial (gain)/ loss on obligations Loss	(20.23)	(3.69)
<b>Present Value of the Obligation as on March 31, 2012</b>	<b>9.88 (31.98)</b>	<b>7.79 (25.11)</b>

**B. Amount recognized in the Balance Sheet**

Particulars	Gratuity (Unfunded)	Leave Encashment (Unfunded)
Present Value of the Obligation as on March 31, 2012	9.88 (31.98)	7.79 (25.11)
Fair value of plan assets	NIL NIL	NIL NIL
Un-funded Liability	9.88 (31.98)	7.79 (25.11)
Unrecognized actuarial gains/ losses	NIL (NIL)	NIL (NIL)
<b>Un-funded liability recognized in Balance Sheet</b>	<b>9.88 (31.98)</b>	<b>7.79 (25.11)</b>

**C. Amount recognized in the Profit and Loss Account**
**(Rs. in Lacs)**

Particulars	Gratuity (Unfunded)	Leave Encashment (Unfunded)
Interest Cost	2.56 (NIL)	2.01 (NIL)
Current Service Cost	4.80 (6.05)	3.32 (4.18)
Expected Return on Plan Assets	NIL (NIL)	NIL (NIL)
Actuarial (gain)/ loss on obligations Gain	(21.08)	(10.41)
Actuarial (gain)/ loss on obligations Loss	(20.23)	(3.69)
<b>Total expense recognised in the Profit and Loss Account</b>	<b>(13.72) (24.33)</b>	<b>(5.08) (5.51)</b>

**D. Reconciliation of Balance Sheet**
**(Rs. in Lacs)**

Particulars	Gratuity (Unfunded)	Leave Encashment (Unfunded)
Liability of transferred employees under scheme of Demerger.	<b>NIL (12.51)</b>	<b>NIL (21.46)</b>
Total expense recognised in the Profit and Loss Account Gain	21.08	10.41
Total expense recognised in the Profit and Loss Account	(24.33)	(5.51)
Benefit paid during the year	8.38 (6.81)	12.24 (4.23)
<b>Present Value of the Obligation as on March 31, 2012</b>	<b>9.88 (31.98)</b>	<b>7.79 (25.11)</b>

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

Particulars	Gratuity	Leave Encashment
Discount Rate	8%	8%
Expected Rate of increase in compensation levels	5%	5%

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

Since the Company was not obliged to fund for its gratuity liability and leave encashment, there are no returns on the planned assets and hence the details related to changes in fair value of assets have not been given.

27. The Company has entered into operating lease arrangements for vehicles. The future minimum lease rental obligation under non-cancellable operating leases in respect of these assets is Rs. 27.23 lacs (2010-11: Rs. 69.36 lacs). The Lease Rent payable not later than one year is Rs. 9.72 lacs (2010-11: Rs. 18.69 lacs), payable later than one year but not later than five years is Rs. 17.51 lacs (2010-11: Rs. 50.68 lacs) and payable later than five years is Rs. NIL (2010-11: Rs. NIL).
28. The Company operates in a single business and geographical segment. Hence information required under Accounting Standard 17, 'Segment Reporting', issued by the Council of the Institute of Chartered Accountants of India, has not been given.

**29. Related Party Disclosure:**

Disclosures as required by the Accounting Standard 18 "Related Party Disclosure" is given below:

List of Related Parties where control exists and related parties with whom transactions have taken place and relationship.

Sr. No.	Name of the Related Party	Relationship
1	Agre Properties & Services Limited	Subsidiary Companies
2	Precision Realty Developers Private Limited	
3	Acute Realty Private Limited	Subsidiary Companies w.e.f. April 1, 2011
4	Future Retail Destination Private Limited	
5	Aabha Hotels Private Limited	
6	Aashirwad Malls Private Limited	
7	Unique Malls Management Private Limited	
8	Harmony Mall Management Private limited	
9	KB Mall Management Company Limited	
10	Kshitij Retail Destination Private Limited	
11	Nishta Mall Management Company Private Limited	
12	Niyman Mall Management Company Private Limited	
13	Ojas Mall Management Private Limited	
14	Shreya Mall Management Private Limited	
15	Star Shopping Centres Private Limited	
16	Sun City Properties Private Limited	
17	Suhani Mall Management Company Private Limited	Subsidiary Company w.e.f. February 13, 2012
18	Future Trade Market Networks Private Limited	Subsidiary Company w.e.f. December 14, 2011
19	River Bank Developers Private Limited	Associate w.e.f. April 1, 2011
20	Future Corporate Resources Limited	Enterprise having significant control
21	Riddhi Siddhi Mall Management Private Limited	Joint Ventures w.e.f. April 1, 2011
22	Vishnu Mall Management Private Limited	
23	Sattva Realtors Private Limited	Joint Venture from January 1, 2012 to March 19, 2012.
24	Mr. Sumit Dabriwala	Key Managerial Personnel
25	Ms. Priyanka Dabriwala	Relative of KMP

**Related Party Transactions:****(Rs. in Lacs)**

Nature Transaction	Subsidiaries	Joint Venture	Associates	KMP and Relative of KMP
Mall Maintenance Charges	45.75 (-)	- (-)	- (-)	- (-)
Deposit Given	106.85 (184.00)	- (-)	- (-)	- (-)
Reimbursement of Expenses	188.19 (25.20)	- (-)	- (-)	- (-)
Project Management	225.47	69.88	-	-
Consultancy	(12.57)	(-)	(-)	(-)
Interest Expenses	38.83 (-)	- (-)	- (-)	- (-)

Nature Transaction	Subsidiaries	Joint Venture	Associates	KMP and Relative of KMP
Interest Income	1888.21 (-)	143.22 (-)	- (-)	- (-)
Car Lease Rental	- (-)	- (-)	- (-)	3.36 (1.68)
Loans and Advances given /returned (Net)	1956.57 (-)	5140.53 (-)	- (-)	- (-)
Loans & Advances taken/ repaid (Net)	4474.50 (15.00)	- (-)	1140.00 (-)	- (-)
Professional Fees Paid	- (-)	- (-)	12.00 (-)	- (-)
Capital work in progress	306.61 (-)	- (-)	- (-)	- (-)
Investments	5545.97 (-)	- (-)	- (-)	- (-)
Rent paid	78.18 (-)	- (-)	- (-)	- (-)
Managerial Remuneration	- (-)	- (-)	- (-)	139.23 (72.33)
Sale of Investments	4900.00 (-)	- (-)	- (-)	- (-)
Outstanding Balances as at March 31,				
Receivable	16701.23 (265.97)	3343.02 (-)	- (-)	- (-)
Payable	3243.22 (-)	- (15.19)	1155.19 (-)	- (-)

**Disclosure in respect of Material related party transaction during the year:**

1. Mall Maintenance Charges include Agre Properties & Services Limited Rs. 45.75 lacs (2010-11: Nil)
2. Deposit given includes Precision Realty Developers Private Limited Rs.106.85 lacs (2010-11: Rs. Nil)
3. Reimbursement of Expenses includes Agre Properties & Services Limited Rs. 177.60 lacs (2010-11: Rs. Nil)
4. Project Management Consultancy includes Aashirwad Malls Private Limited Rs. 90.00 lacs (2010-11: Nil), Future Retail Destination Pvt. Ltd. Rs. 74.14 lacs (2010-11: Nil), Future Trade Market Private Limited Rs. 38.24 lacs (2010-11: Nil) and Sattva Realtors Private Limited Rs. 69.88 lacs (2010-11 Rs.Nil)
5. Interest expenses include Niyman Mall Management Company Private Limited Rs. 38.83 lacs (2010-11: Rs. Nil).
6. Interest income include Ojas Mall Management Private Limited Rs. 548.02 lacs (2010-11: Rs. Nil), KB Mall Management Co. Limited Rs. 875.53 lacs (2010-11: Rs. Nil) Suhani Mall Management Company Private Limited 211.06 lacs (2010-11: Nil)
7. Car Lease Rental include Ms. Priyanka Dabriwala Rs. 3.36 lacs (2010-11: Rs. 1.68 lacs)
8. Loans and Advances given /returned (Net) to Joint Ventures includes Vishnu Mall Management Private Limited Rs. 4846.61 lacs (2010-11: Rs. Nil) and Loan given to Subsidiaries includes KB Mall Management Company Limited Rs. 231.53 lacs (2010-11: Rs. Nil)
9. Loans and Advances taken /repaid (Net) includes Agre Properties & Services Limited Rs. 1511.37 lacs (2010-11: Rs. 15.00 lacs), Precision Realty Developers Private Limited Rs. 2959.7 lacs (2010-11: Rs. Nil)
10. Capital work in progress include K B Mall Management Company Limited Rs. 306.61 lacs (2010-11: Nil)
11. Investment includes Future Trade Market Private Limited Rs. 3865 lacs (2010-11: Nil) and Suhani Mall Management Company Private Limited 1680.97 lacs (2010-11: Nil)
12. Rent paid includes Agre Properties & Services Limited Rs. 78.18 lacs (2010-11: Nil)
13. Sale of Investment includes Future Trade Market Private Limited Rs. 4900 lacs (2010-11: Nil)
14. 804 shares has been allotted to Sumit Dabriwala under the scheme of amalgamation.

**30. Earnings Per Share:**

Particulars	2011-12	2010-11
Profit/(Loss) after tax (Rs in lacs)	(119.81)	34.88
Nominal Value of Ordinary Shares (Rs)	10	10
Weighted average number of Equity Shares for calculating Basic and Diluted EPS	5,58,54,976	1,11,70,966
Earnings Per Share (Basic and Diluted) (Rs)	(0.21)	0.31

**31. Deferred Tax Asset**

In accordance with the Accounting Standard 22 on 'Accounting for Taxes on Income' notified by the Companies Accounting Standard Rules 2006, due to lack of virtual certainty of its realization the deferred tax asset arising on account of timing difference comprising of unabsorbed business losses has not been recognized.

(Rs. in Lacs)

Particulars	As at March 31, 2012	As at March 31, 2011
<b>Deferred Tax Liability</b>		
Related to Fixed Assets	27.87	22.39
<b>Total</b>	<b>27.87</b>	<b>22.39</b>
<b>Deferred Tax Asset</b>		
Disallowance under Income Tax Act / Unabsorbed Depreciation / Unabsorbed losses*	27.87	18.74
<b>Total</b>	<b>27.87</b>	<b>18.74</b>
<b>Net Deferred Tax Liability</b>	<b>NIL</b>	<b>3.65</b>

\*In the absence of virtual certainty to generate future taxable income against which deferred tax assets can be realized, deferred tax assets on unabsorbed depreciation and other items are recognized only to the extent of deferred tax liabilities.

**32. Expenditure in Foreign Currency:**

(Rs. in Lacs)

Nature of Expenses	2011-12	2010-11
Travelling Expenses	0.39	0.82
Consulting and Designing	5.39	-

**33. Disclosure as per clause of the listing agreement and as per Schedule VI of the Companies Act, 1956. Loans and Advances given to Subsidiaries and Associates**

(Rs. in Lacs)

Sr No	Name of Companies	Nature	Outstanding Balance		Maximum Balance during the year
			2011-12	2010-11	2011-12
1	Agre Properties & Services Limited	Subsidiary	Nil	56.77	Nil
2	Kshitij Retail Destination Private Limited	Subsidiary	387.16	Nil	447.00
3	Riddhi Siddhi Mall Management Private Limited	Joint Venture	316.14	184.00	316.14
4	Precision Realty Developers Private Limited	Subsidiary	290.85	Nil	290.85
5	Acute Realty Private Limited	Subsidiary	53.67	Nil	100.74
6	Suhani Mall Management Company Private Limited	Subsidiary	29.55	Nil	1,490.85

Sr No	Name of Companies	Nature	Outstanding Balance		Maximum Balance during the year
			2011-12	2010-11	2011-12
7	Future Retail Destination Private Limited	Subsidiary	1,427.42	Nil	1,427.42
8	Harmony Mall Management Private Limited	Subsidiary	520.52	Nil	520.52
9	Nishta Mall Management Company Private Limited	Subsidiary	263.48	Nil	263.48
10	Suncity Properties Private Limited	Subsidiary	84.54	Nil	85.54
11	Unique Malls Private Limited	Subsidiary	97.37	Nil	97.37
12	KB Mall Management Company Limited .	Subsidiary	7,617.51	Nil	7,617.51
13	Ojas Mall Management Private Limited	Subsidiary	6,043.63	Nil	6,043.63
14	Vishnu Mall Management Private Limited	Joint Venture	2,946.79	Nil	4,853.50

All the above loans and advances are interest bearing except in case of Riddhi Siddhi Mall Management Private Limited, Kshitij Retail Destination Private Limited and Precision Realty Developers Private Limited.

#### 34. Previous Year Comparatives:

Previous Year figures have been regrouped, recast and reclassified where ever necessary to confirm to current year's presentation.

35. The name of the Company has changed from Agre Developers Limited to Future Market Networks Limited on February 6, 2012.

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

As per our report of even date attached

**For NGS & Co.**

Chartered Accountants

**Navin T. Gupta**

Partner

Membership No.40334

Place : Mumbai

Date : May 30, 2012

**For and on behalf of the Board of Directors**

**Sumit Dabriwala**

Managing Director

**Rajesh Kalyani**

Director

**Naina Hegde**

Chief Financial Officer

**P.L. Agarwal**

Director

**Anil Cherian**

Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012****(Rs. in Lacs)**

Particulars		March 31, 2012	March 31, 2011
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>			
Net Profit/(Loss) Before Tax		(123.46)	63.54
Adjustments for :			-
Depreciation		22.42	21.25
Interest Income		(2,976.14)	(5.31)
Interest Expenses		4,378.27	0.52
Provision for doubtful debts		30.32	-
Profit on sale of Investment		(1,450.00)	-
On account of Scheme of Amalgamation		(11,013.18)	737.51
		(11,008.31)	753.97
Operating Profit before Working Capital change		(11,131.77)	817.52
Adjustment for:			
Increase in Trade and Other Receivables		(1,427.91)	(1,012.32)
Increase in Loans and Advances		(19,015.02)	(408.93)
Increase in Trade Payables		6,862.71	901.97
		(13,580.22)	(519.28)
<b>Cash generated from operations</b>		<b>(24,711.99)</b>	<b>298.24</b>
Taxes Paid		(81.46)	-
<b>Net Cash from operating activities</b>	<b>A</b>	<b>(24,793.46)</b>	<b>298.24</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>			
Sale/(Purchase) of Fixed Assets		214.72	(226.45)
Sale of Investment		4,900.00	-
Purchases of Investment		(3,865.00)	-
Loans and Advances		(1,482.60)	-
Share Issue expense		-	(207.71)
Interest received		2,976.14	5.31
<b>Net Cash From Investing Activities</b>	<b>B</b>	<b>2,743.00</b>	<b>(429)</b>
<b>CASH FROM FINANCING ACTIVITIES:</b>			
Interest paid		(4,378.27)	(0.52)
Net Proceeds of Short Term Borrowings		7,184.75	180.36
Net Proceeds of Long Term Borrowings		19,250.00	-
<b>Net Cash used in Financing Activities</b>	<b>C</b>	<b>22,056.48</b>	<b>179.84</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>	<b>(A+B+C)</b>	<b>6.27</b>	<b>49.23</b>
<b>CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE YEAR</b>		<b>53.84</b>	<b>4.61</b>
<b>CASH AND CASH EQUIVALENT AT THE END OF THE YEAR</b>		<b>60.11</b>	<b>53.84</b>

As per our report of even date attached

**For NGS & Co.**  
Chartered Accountants

**Navin T. Gupta**  
Partner  
Membership No.40334

Place : Mumbai  
Date : May 30, 2012

For and on behalf of the Board of Directors

**Sumit Dabriwala**  
Managing Director

**Rajesh Kalyani**  
Director

**Naina Hegde**  
Chief Financial Officer

**P.L. Agarwal**  
Director

**Anil Cherian**  
Company Secretary



# **Consolidated Financial Statements and Notes**

## AUDITORS REPORT

**The Board of Directors**  
**Future Market Networks Limited**  
**(Formerly known as Agre Developers Limited)**  
 Mumbai

1. We have audited the attached Consolidated Balance Sheet of Future Market Networks Limited (Formerly known as Agre Developers Limited) ('the Company') and its subsidiaries and joint ventures (the Company and its subsidiaries, joint ventures constitute 'the Group') as at March 31, 2012 and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. 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 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of certain Subsidiaries and joint ventures, whose financial statements reflect total assets (net) of Rs 13,118.30 lacs as at March 31, 2012, total revenue of Rs 3,819.60 lacs and net cash flows amounting to Rs 234.90 lacs for the year ended March 31, 2012. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management of Group, and our opinion is based solely on the reports of other auditors.
4. *Further financial statements of Riverbank Developers Private Limited have been consolidated based on unaudited accounts which are certified by management and our report in so far as it relates to the amounts included in respect of the associate is based solely on such unapproved unaudited financial statements.*
5. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21, 'Consolidated Financial Statements', Accounting Standard (AS) 23, 'Accounting for Investments in Associates in Consolidated Financial Statements' and Accounting Standard (AS) 27, 'Financial Reporting of interest in Joint Ventures' issued by the Institute of Chartered Accountants of India.
6. Based on our audit as aforesaid, and on consideration of reports of other auditors on the separate financial statements and on the other financial information of the components and read with other notes thereon and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - i) In case of Consolidated Balance Sheet, of the state of affairs of the Future Market Networks Limited as at March 31, 2012;
  - ii) In case of Consolidated Profit and Loss Account, of the loss for the year ended on that date; and
  - iii) In case of Consolidated Cash Flow Statement, of the cash flow for the year ended on that date.

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

**Navin T. Gupta**  
 Partner  
 Membership No: 40334

Place: Mumbai  
 Dated: May 30, 2012

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2012**
**(Rs. in Lacs)**

Particulars	Note	As at March 31, 2012	As at March 31, 2011
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share Capital	2	5,585.44	1,117.10
Reserves and Surplus	3	36,299.62	25,278.74
<b>Share Application Money pending allotment</b>		110.12	-
<b>Minority Interest</b>		2,093.57	-
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	4	52,651.81	523.04
Deferred Tax Liabilities (Net)	5	545.07	211.84
Other Long Term Liabilities	6	7,226.30	-
Long-Term Provisions	7	14.73	36.47
<b>Current Liabilities</b>			
Short-Term Borrowings	8	7,301.41	2,485.12
Trade Payables	9	2,932.47	6,175.11
Other Current Liabilities	10	18,365.47	934.92
Short-Term Provisions	11	63.92	29.56
<b>TOTAL</b>		<b>133,189.93</b>	<b>36,791.90</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	12	46,420.46	19,472.07
Capital work-in-progress		13,388.99	5,706.07
Non-Current Investments	13	9,924.36	768.57
Long-Term Loans and Advances	14	17,560.71	6,982.30
Other Non-Current Assets	15	72.62	-
Goodwill on Consolidation (Refer Note No. 39)		7,831.26	-
<b>Current Assets</b>			
Inventories	16	2,410.64	-
Trade Receivables	17	9,286.90	2,717.36
Cash and Bank Balances	18	742.78	207.84
Short-Term Loans and Advances	19	25,551.21	937.69
<b>TOTAL</b>		<b>133,189.93</b>	<b>36,791.90</b>
Significant Accounting Policies	1		
Notes to the financial statements	1 - 43		

**The accompanying notes are an integral part of the financial statements.**

As per our report of even date attached

**For NGS & Co.**

Chartered Accountants

**Navin T. Gupta**

Partner

Membership No.40334

**For and on behalf of the Board of Directors**
**Sumit Dabirwala**

Managing Director

**P.L. Agarwal**

Director

**Rajesh Kalyani**

Director

**Naina Hegde**

Chief Financial Officer

**Anil Cherian**

Company Secretary

Place : Mumbai

Date : May 30, 2012

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012****(Rs. in Lacs)**

Particulars	Note	2011-12	2010-11
<b>Income:</b>			
Revenue from Operations	20	<b>16,517.61</b>	10,413.74
Other Income	21	<b>6,401.59</b>	111.51
<b>Total Revenue</b>		<b>22,919.20</b>	10,525.25
<b>Expenses:</b>			
Purchases		<b>110.36</b>	458.25
Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	22	<b>(470.52)</b>	-
Cost of Services	23	<b>8,291.83</b>	6,407.18
Employee Benefit Expenses	24	<b>1,721.21</b>	1,192.83
Finance Costs	25	<b>8,811.04</b>	45.08
Depreciation	12	<b>2,498.58</b>	1,030.26
Other Expenses	26	<b>2,715.27</b>	1,056.56
<b>Total Expenses</b>		<b>23,677.77</b>	10,190.16
Profit before Exceptional and Extraordinary Items and Tax (III - IV)		<b>(758.57)</b>	335.09
Exceptional Items		-	-
<b>Profit/(Loss) before Extraordinary Items and Tax</b>		<b>(758.57)</b>	335.09
Extra Ordinary Items		-	-
<b>Profit/(Loss) before Tax</b>		<b>(758.57)</b>	335.09
Tax Expense:			
(1) Current tax		<b>75.55</b>	82.64
(2) Deferred Tax		<b>(802.34)</b>	211.82
<b>Profit/(Loss) after Tax</b>		<b>(31.78)</b>	40.63
<b>Minority Interest</b>		<b>59.34</b>	-
<b>Share of loss of Associate</b>		<b>(19.87)</b>	
<b>Profit for the year</b>		<b>7.69</b>	40.63
<b>Earnings Per Equity Share</b>			
Equity Shares of Face Value Rs. 10 each			
Basic and Diluted (Rs.)		<b>0.01</b>	0.36
Significant Accounting Policies	1		
Notes to the financial statements	1 - 43		

**The accompanying notes are an integral part of the financial statements.**

As per our report of even date attached

**For NGS & Co.**  
Chartered Accountants

**Navin T. Gupta**  
Partner  
Membership No.40334

Place : Mumbai  
Date : May 30, 2012

**For and on behalf of the Board of Directors**

**Sumit Dabriwala**  
Managing Director

**Rajesh Kalyani**  
Director

**Naina Hegde**  
Chief Financial Officer

**P.L. Agarwal**  
Director

**Anil Cherian**  
Company Secretary

### Notes forming part of Consolidated financial statements for the year ended March 31, 2012.

#### 1. Significant accounting policies:

##### 1.1 Principles of Consolidation:

The consolidated financial statements relate to Future Market Networks Limited (Formerly known as Agre Developers Limited) ('the Company') and its subsidiary companies, associates and joint ventures (collectively referred to as Group). The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Inter-company balances and transactions and unrealized profits or losses have been fully eliminated in accordance with Accounting Standard (AS) 21 – "Consolidated Financial Statements".
- b) Investment in Associate Companies has been accounted under the equity method as per (AS 23) - "Accounting for Investments in Associates in Consolidated Financial Statements".
- c) Interest in Joint Ventures has been accounted by using the proportionate consolidation method as per Accounting Standard (AS) 27 – "Financial Reporting of Interest in Joint Ventures".
- d) The difference between the costs of investments in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
- e) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- f) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- g) The Company accounts for its share in change in net assets of the associates, post acquisition, after eliminating unrealized profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Statement of Profit and Loss to the extent such change is attributable to the associates' Profit or Loss through its reserves for the balance, based on available information.
- h) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- i) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- j) The difference between the proceeds from disposal of Investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

##### 1.2 Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

###### a. Basis of preparation:

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles in India (Indian GAAP) in compliance with the provisions of Companies Act, 1956 and the Accounting Standards as specified in the Companies (Accounting Standard) Rules 2006 (as amended) and the provisions of the Companies Act, 1956.

###### b. Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires that the management to make judgments, estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in the future periods.

**c. Revenue Recognition:**

Revenue is recognized based on the nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery.

- Sales is recognized on transfer of significant risk and rewards of the ownership of the goods to the buyer and stated at net trade discount, rebates, returns, discounts and VAT/ Sales Tax.
- Revenue from services rendered is recognised as the service is performed based on agreements/ arrangement with concerned parties and revenue from end of the last billing to the balance sheet date is recognised as unbilled revenue.
- Interest income is recognized on time proportion basis taking into account the amount outstanding and applicable interest rates.
- Dividend income is accounted for when the right to receive the payment is established.
- Other items of income are accounted as and when the right to receive arises.

**d. Fixed Assets:**

Fixed assets are stated at cost, 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. Any trade discounts and rebates are deducted in arriving at the purchase price.

**e. Depreciation and Amortization:**

- Depreciation on tangible assets is provided on Straight line method at the rates prescribed under Schedule XIV to the Companies Act, 1956.
- Leasehold improvements are depreciated on straight line basis over period of lease agreement.
- Fixed assets individually costing less than Rs. 5000/- are fully depreciated in the year of additions.
- In case of 2 subsidiaries, depreciation is provided on Written down value method at the rates prescribed under Schedule XIV to the Companies Act, 1956.

**f. Inventories:**

Inventories consist of Project Work-in-Progress, are valued at cost. Cost includes direct expenses and indirect expenses including interest expenses on borrowings.

**g. Goodwill on Consolidation:**

Goodwill arising on consolidation/acquisition is tested for impairment on periodic basis and written-off if found impaired.

**h. Miscellaneous Expenditure:**

Preliminary expenses are charged to Statement of Profit and Loss as incurred.

**i. Employee Benefits:**

- All employee benefits falling due within twelve months of rendering the services are classified as short term employee benefits. Benefits like salaries, wages, short term compensated absences etc and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.
- Retirement benefits in the form of Provident Fund and Employees State Insurance Scheme are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial period.
- Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.
- Actuarial gains/losses are recognized immediately in the Statement of Profit and Loss.

**j. Leases:**

Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as Operating leases. Lease rentals are charged to the Profit and Loss Account on accrual basis.

k. **Impairment of Assets:**

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

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

l. **Investments:**

Long term investments are carried at cost, after providing for any diminution in value, if such diminution is of permanent nature. Current investments are carried at lower of cost or market value. Determination of carrying amount of such investments is done on the basis of specific identification.

m. **Borrowing Cost:**

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time as the asset is ready for its intended use or sale.

All other borrowing costs are recognized as an expense in the period in which they are incurred.

n. **Foreign Currency Transactions:**

Foreign currency transactions are recorded on initial recognition in the reporting currency using the exchange rate at the date of the transaction. At each Balance sheet date, foreign currency monetary items are reported using the closing rate. Exchange differences are recognized as income or expense in the period in which they arise.

o. **Provision for Current and Deferred Tax:**

Provision for current tax is made after taking in to consideration benefits admissible under the provision of the Income Tax Act 1961. Deferred tax resulting from "Timing Difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax assets is recognised and carried forward only to the extent that there is virtual certainty that the asset will be realized in future.

p. **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 disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

q. **Expenditure During Construction:**

Expenditure during construction is accumulated as Capital-Work-In-Progress. Once the construction work is completed, expenditure directly related to particular fixed assets shall be capitalized to those fixed assets and indirect expenses related to construction shall be allocated to various fixed assets on a reasonable basis. Expenditure on Lease rent is considered as a part of the cost of the project and hence added to Capital-Work-In-Progress.



## NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2012

## 2. Share Capital

(Rs. in Lacs)

Particulars	As at March 31, 2012	As at March 31, 2011
<b>Authorised Capital</b>		
8,02,10,000 (2,00,00,000) Equity Shares of Rs. 10/- each	8,021.00	2,000.00
5,000 Preference Shares of Rs. 100/- each	5.00	-
<b>Issued Capital*</b>		
5,58,54,976 (1,11,71,536) Equity Share of Rs. 10/- each	5,585.50	1,117.15
<b>Subscribed and Paid up</b>		
5,58,54,406 (1,11,70,966) Equity Share of Rs. 10/- each fully paid up	5,585.44	1,117.10
	<b>5,585.44</b>	<b>1,117.10</b>

\* Includes 570 shares in abeyance

## a) Reconciliation of the shares outstanding is set out below:

Particulars	March 31, 2012		March 31, 2011	
	No. of Shares	Amount (Rs. in Lacs)	No. of Shares	Amount (Rs. in Lacs)
At the beginning of the year	11,170,966	1,117.10	50,000	5.00
Issued as per the scheme of amalgamation	44,683,440	4,468.34	-	-
Issued as per the scheme of demerger	-	-	11,170,966	1,117.10
Cancelled as per the scheme of demerger	-	-	(50,000)	(5.00)
<b>At the end of the year</b>	<b>55,854,406</b>	<b>5,585.44</b>	<b>11,170,966</b>	<b>1,117.10</b>

## b) Rights, preferences and restrictions attached to shares.

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees.

In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distributions will be in proportion to the number of equity shares held by shareholder.

## c) Details of shareholders holding more than 5% shares.

Name of the Shareholder	As at March 31, 2012		As at March 31, 2011	
	No. of Shares	% held	No. of Shares	% held
Manz Retail Private Limited	16,430,824	29.41%	-	-
Future Corporate Resources Limited	12,676,754	22.70%	4,113,387	36.82%
PIL Industries Limited	-	-	715,214	6.40%
Future Ideas Realtors India Limited	8,563,367	15.33%	-	-
Rhamni Projects Private Limited	8,042,291	14.40%	-	-
Ishbhoomi Mall Management Private Limited	3,127,870	5.60%	-	-
<b>Total</b>	<b>48,841,106</b>	<b>87.44%</b>	<b>4,828,601</b>	<b>43.22%</b>

## d) Aggregate number and class of shares allotted as fully paid up pursuant to scheme of demerger/ amalgamation without payment being received in cash.

Particulars	March 31, 2012		March 31, 2011	
	No. of Shares	Amount (Rs. in Lacs)	No. of Shares	Amount (Rs. in Lacs)
Equity Share of Rs 10/- each fully paid up				
As per the scheme of amalgamation	44,683,440	4,468.34	-	-
As per the scheme of Demerger	-	-	11,170,966	1,117.10
	<b>44,683,440</b>	<b>4,468.34</b>	<b>11,170,966</b>	<b>1,117.10</b>



**3. Reserves and Surplus**
**(Rs. in Lacs)**

Particulars	As at March 31, 2012	As at March 31, 2011
<b>Capital Reserve</b>		
As per last Balance Sheet	-	-
Add: on scheme of Amalgamation	11,161.91	-
Less: Utilised as per Amalgamation scheme	148.73	-
	<u>11,013.18</u>	<u>-</u>
<b>Securities Premium</b>		
As per last Balance Sheet	25,241.47	-
Add: on scheme of Demerger	-	25,449.18
Less: Utilised for Share Issue Expenses	-	207.71
	<u>25,241.47</u>	<u>25,241.47</u>
<b>Profit and Loss Account</b>		
As per last Balance Sheet	37.27	(3.36)
Add: Profit for the year	7.69	40.63
Allocations and Appropriations	-	-
	<u>44.97</u>	<u>37.27</u>
	<u>36,299.62</u>	<u>25,278.74</u>

**4. Long-Term Borrowings**
**(Rs. in Lacs)**

Particulars	As at March 31, 2012	As at March 31, 2011
<b>Secured</b>		
Term Loan from Banks	41,339.41	-
Share in Jointly Controlled entity	2,141.37	-
Term Loan from Others	8,744.86	-
Share in Jointly Controlled entity	-	523.04
<b>Unsecured</b>		
Loan from Others	426.17	-
	<u>52,651.81</u>	<u>523.04</u>

**4.1 Secured Term Loan from Banks referred above are repayable over a period of 2 to 9 years and carries interest rate of 13.25% to 15.25% and is secured as under:**

- Rs. 19,250.00 lacs are secured by immovable property owned by 2 subsidiary companies and Ishkrupa Mall Management Company Private Limited and personal guarantee of promoters.
- Rs. 8,125.46 lacs are secured by hypothecation of building situated at Ahemdabad and Current Assets.
- Rs. 7325.83 lacs are secured by mortgage of Commercial property at Acropolis Mall, Thaltej, Ahmedabad and assignment of rent receivables.
- Rs. 2,014.31 lacs are secured by first charge on building situated at Ahemdabad, Gujarat and hypothecation of future rent receivables.
- Rs. 1,341.37 lacs are secured by first charge on building situated at Sealdah, Kolkata and hypothecation on future rent receivables.
- Rs. 4,623.81 lacs are secured by hypothecation charge on all movable assets relating to the project, first charge on all revenues, receivables and all current assets relating to project, pledge of equity held by promoters and first charge on other bank account of the Borrower with respect to the project, personal guarantees and corporate guarantee.
- Rs. 800.00 lacs are secured against entire fixed and other assets of the joint venture company financed by the loan and corporate guarantee.

**4.2 Secured Term Loan from Others are repayable over a period of 2 to 7 years and carries interest rate of 10.70% to 15.25% and is secured as under:**

- a) Rs. 7,800.00 lacs are secured by first charge by way of hypothecation of entire movable assets, both present and future, including plant and machinery, machinery spares, tools and accessories, electrical installation, furniture & fixtures, vehicles and lease rent receivables.
- b) Rs. 944.86 lacs are secured by mortgage of Commercial Space at R Mall, Mulund, Mumbai.

**4.3 Unsecured Long term loan from others are repayable over a period of 15 to 18 Months and are Interest free.**

**5. Deferred Tax Liabilities (net)**

(Rs. in Lacs)

Particulars	As at March 31, 2012	As at March 31, 2011
Deferred tax liabilities (net) consists of following:		
<b>Deferred Tax Liability</b>		
Related to Fixed Assets	2,089.82	444.84
<b>Deferred Tax Asset</b>		
Disallowance under the Income Tax Act, 1961	28.30	3.25
Carry Forward of Losses and Unabsorbed Depreciation	1,516.45	229.75
<b>Deferred Tax Liability</b>	<u>545.07</u>	<u>211.84</u>

**6. Other Long-Term Liabilities**

(Rs. in Lacs)

Particulars	As at March 31, 2012	As at March 31, 2011
Deposits	6,791.09	-
Others	435.21	-
	<u>7,226.30</u>	<u>-</u>

**7. Long-Term Provisions**

(Rs. in Lacs)

Particulars	As at March 31, 2012	As at March 31, 2011
<b>Provision for Employee Benefits</b>		
Provision for gratuity	8.89	23.60
Provision for leave encashment	5.84	12.87
	<u>14.73</u>	<u>36.47</u>

**8. Short-Term Borrowings**

(Rs. in Lacs)

Particulars	As at March 31, 2012	As at March 31, 2011
<b>(Secured, repayable on demand)</b>		
Loans from Banks	427.84	-
Share in Jointly Controlled entity	275.38	-
Loans and advances from Others	1,582.38	-
Share in Jointly Controlled entity	1,152.00	-
<b>(Unsecured, repayable on demand)</b>	-	-
Loans and advances from others	3,716.50	2,178.18
Share in Jointly Controlled entity	147.32	306.94
	<u>7,301.41</u>	<u>2,485.12</u>

**8.1 Secured Loans and Advances from Banks carries interest rate of 9.25 % to 15% and is secured as under:**

- a) Rs. 116.55 lacs are secured by mortgage of Commercial property at Kankaria Mall, Ahmedabad and Personal guarantee.
- b) Rs. 311.29 lacs are secured by mortgage of Commercial property at Acropolis Mall, Thaltej, Ahmedabad and assignment of rent receivables..
- c) Rs. 179.16 lacs are secured by first charge of property of the company situated at Saeldah, Kolkata and Hypothecation of future rent receivable.
- d) Rs. 96.21 lacs are hypothecated by the charge on the Fixed Deposits.

**8.2 Secured Loans and Advances from Others carries interest rate of 10.70 % to 15% and is secured as under:**

- a) Rs. 82.38 lacs are secured by mortgage of Commercial Space at R Mall, Mulund at Mumbai.
- b) Rs. 1,152.00 lacs are secured by way of Hypothecation and escrow of receivables of Manz Retail Private Limited equivalent to 1.5 times of the loan amount. Loan is further secured by personal guarantee of promoters.
- c) Rs. 1,500.00 lacs are secured by hypothecation of entire movable assets, both present and future.

**8.3 Unsecured Loans and Advances from Others are Interest free.**
**9. Trade Payables**

(Rs. in Lacs)		
Particulars	As at March 31, 2012	As at March 31, 2011
Trade Payables (Refer Note No. 41)	2,931.36	6,175.11
Share in Jointly Controlled entity	1.11	-
	<u>2,932.47</u>	<u>6,175.11</u>

**10. Other Current Liabilities**

(Rs. in Lacs)		
Particulars	As at March 31, 2012	As at March 31, 2011
Current Maturities of Long-Term Debt	9,000.00	-
Advance received from customers	885.98	-
Deposits	5,002.53	-
Other liabilities*	3,417.22	875.94
Share in Jointly Controlled entity	59.74	58.98
	<u>18,365.47</u>	<u>934.92</u>

\* Includes Statutory dues, Payables for Fixed Assets and Expenses and Interest Accrued.

**11. Short-Term Provisions**

(Rs. in Lacs)		
Particulars	As at March 31, 2012	As at March 31, 2011
<b>Provision for Employee Benefits</b>		
Provision for gratuity	0.99	8.38
Provision for leave encashment	1.95	12.24
Provision for Taxation (Net of payments/deduction of tax)	60.98	8.94
	<u>63.92</u>	<u>29.56</u>

## 12. Fixed Assets

Sr. No.	Particulars	Gross Block					Depreciation					Net Block		(Rs. in lacs)
		As at April 1, 2011	Addition as per scheme of Amalgamation*	Additions during the year	Sale/ Disposal during the year	As at March 31, 2012	Upto April 1, 2011	Addition as per scheme of Amalgamation	For the year	Adjustment	Upto March 31, 2012	As at March 31, 2012	As at March 31, 2011	
1	Air Conditioner	1,281.09	-	-	-	1,281.09	205.32	-	60.85	-	266.18	1,014.92	1,075.77	
2	Leasehold Improvement	22,514.17	-	-	-	22,514.17	1,729.50	-	576.92	-	2,306.41	20,207.76	20,784.68	
3	Computers and Software	3,002.91	1.02	12.16	15.01	3,001.09	935.03	0.75	487.94	1.60	1,422.12	1,578.97	2,067.88	
4	Electrical Installation	774.56	-	-	0.09	774.47	135.05	-	36.79	0.02	171.82	602.66	639.51	
5	Furniture and Fittings	2,612.39	-	0.25	1.84	2,610.81	177.69	-	165.25	0.57	342.37	2,268.44	2,434.70	
6	Office and Other Equipment	91.85	0.08	1.30	-	93.23	12.24	-	4.39	-	16.63	76.61	79.61	
7	Plant and Machinery	730.67	-	1.53	-	732.20	67.75	-	34.74	-	102.48	629.72	662.92	
8	Vehicles	4.01	-	-	-	4.01	3.00	-	0.65	-	3.65	0.36	1.01	
9	Share in Jointly Controlled Entity	2,568.93	-	0.12	-	2,569.05	14.31	-	13.63	-	27.94	2,541.11	2,554.61	
	<b>Under Operating Lease</b>	-	-	-	-	-	-	-	-	-	-	-	-	
		-	-	-	-	-	-	-	-	-	-	-	-	
		-	-	-	-	-	-	-	-	-	-	-	-	
1	Air Conditioner	3,076.45	-	-	-	3,076.45	450.65	-	146.13	-	596.78	2,479.66	2,625.80	
2	Leasehold Improvement	7,832.39	-	2.12	-	7,834.51	1,304.18	-	304.10	-	1,608.29	6,226.22	6,528.20	
3	Computers and Software	195.41	-	-	-	195.41	84.54	-	31.68	-	116.21	79.19	110.87	
4	Electrical Installation	3,866.77	-	2.51	-	3,869.28	747.53	-	183.73	-	931.26	2,938.02	3,119.25	
5	Furniture and Fittings	6,166.39	-	169.52	-	6,335.91	1,195.15	-	391.28	-	1,586.43	4,749.49	4,971.24	
6	Office and Other Equipment	281.31	-	0.11	-	281.42	43.51	-	13.37	-	56.87	224.55	237.81	
7	Plant and Machinery	991.33	-	0.67	-	992.00	142.27	-	47.12	-	189.39	802.61	849.06	
8	Vehicles	0.26	-	-	-	0.26	0.06	-	0.02	-	0.09	0.18	0.20	
	<b>Total</b>	<b>55,990.90</b>	<b>1.10</b>	<b>190.31</b>	<b>16.93</b>	<b>56,165.37</b>	<b>7,247.78</b>	<b>0.75</b>	<b>2,498.58</b>	<b>2.19</b>	<b>9,744.91</b>	<b>46,420.46</b>	<b>48,743.12</b>	
	<b>Previous Year</b>	<b>-</b>	<b>21,548.12</b>	<b>1,979.49</b>	<b>-</b>	<b>23,527.62</b>	<b>-</b>	<b>3,025.29</b>	<b>1,030.26</b>	<b>-</b>	<b>4,055.55</b>	<b>19,472.07</b>	<b>-</b>	
	<b>Capital Work-In-Progress</b>													
	Share in Jointly Controlled Entity											<b>674.89</b>	<b>239.30</b>	
												<b>13,388.99</b>	<b>5,706.07</b>	

\* Refer Note No. 27

**13. Non-Current Investments**
**(Rs. in Lacs)**

Particulars	As at March 31, 2012	As at March 31, 2011
<b>Non - Trade Investment (Valued at cost unless stated otherwise)</b>		
<b>Unquoted</b>		
<b>Investment in Equity Shares of Associate</b>		
<b>Equity Shares of Rs.10/- each fully paid up</b>		
65,000 Equity Shares of Riverbank Developers Private Limited	5,601.19	-
<b>Others</b>		
<b>Equity Shares of Rs.10/- each fully paid up</b>	22.00	-
1,65,000 Equity Shares of Calcutta Metropolitan Group Limited	2,224.99	-
Nil (930) Equity Shares of Anant Developers Private Limited	-	0.09
Nil (930) Equity Shares of Panah Realty Private Limited	-	0.09
Nil (25,62,000) Gupta Infrastructure (India) Private Limited	-	768.21
940 Equity Shares of Nimble Realty Private Limited	0.09	0.09
930 Equity Shares of Barkha Realty Private Limited	0.09	0.09
<b>Investment in Preference Shares of Joint Ventures</b>	-	
7,60,000 Compulsorily Convertible Preference Shares of Vishnu Mall Management Company Private Limited of Rs 10/- each fully paid up.	76.00	-
<b>Others</b>		
10,00,000 0.01% Non Cumulative Optionally Convertible Preference Shares of Bansi Mall Management Company Private Limited of Rs. 10/- each fully paid up	2,000.00	-
<b>Aggregate cost of unquoted investment</b>	<b>9,924.36</b>	<b>768.57</b>

**14. Long-Term Loans and Advances**
**(Rs. in Lacs)**

Particulars	As at March 31, 2012	As at March 31, 2011
<b>Unsecured, Considered Good</b>		
Capital Advances	745.72	-
Electricity and Other Deposits	10,305.20	5,689.56
<b>Other Loans and Advances</b>	-	-
Loans and Advances to Others	297.98	327.64
Business advances	3,109.62	-
Deduction of Income Taxes (Net of Provision for Income tax)	2,087.44	182.14
MAT Receivable	686.41	-
Share Application money pending allotment	285.00	700.86
<b>Share in Jointly Controlled entities</b>	<b>43.34</b>	<b>82.10</b>
	<b>17,560.71</b>	<b>6,982.30</b>

**15. Other Non-Current Assets**
**(Rs. in Lacs)**

Particulars	As at March 31, 2012	As at March 31, 2011
Other Loans and Advances	72.62	-
	<b>72.62</b>	<b>-</b>

## 16. Inventories

(Rs. in Lacs)

Particulars	As at March 31, 2012	As at March 31, 2011
Project work-in-progress	2,410.64	-
	<u>2,410.64</u>	<u>-</u>

## 17. Trade Receivables

(Rs. in Lacs)

Particulars	As at March 31, 2012	As at March 31, 2011
<b>(Unsecured)</b>		
- Outstanding for a period exceeding six months		
Considered Doubtful	117.55	54.73
Considered Good	2,728.65	997.02
Less: Provision for Doubtful Debts	117.55	54.73
	<u>2,728.65</u>	<u>997.02</u>
- Other debts	6,540.57	1,710.00
Share in Jointly Controlled entity	17.68	10.34
	<u>9,286.90</u>	<u>2,717.36</u>

## 18. Cash and Bank Balances

(Rs. in Lacs)

Particulars	As at March 31, 2012	As at March 31, 2011
Cash on Hand	12.62	2.70
<b>Balance with Banks</b>		
in current accounts	276.27	193.05
in fixed deposits*#	63.15	-
Share in Jointly Controlled entity	390.74	12.09
	<u>742.78</u>	<u>207.84</u>

\* Fixed deposits with banks include deposits of Rs. 51.79 lacs maturity of more than 12 months

# Includes Fixed deposits under lien for bank guarantee of Rs. 24.50 lacs, Fixed Deposit of Rs. 6.50 lacs in lien to Government authorities and Fixed Deposit of Rs. 350.00 lacs hypothecated to bank for Overdraft Facility.

## 19. Short-Term Loans and Advances

(Rs. in Lacs)

Particulars	As at March 31, 2012	As at March 31, 2011
<b>Unsecured, Considered Good</b>		
Deposits	98.22	-
Loan and advances to others	17,858.08	496.27
(Repayable on demand, carries interest rate of 0 % to 15.25%)		
Share Application money	1,138.00	-
Other advances*	2,401.47	441.42
Share in Jointly Controlled entity	4,055.44	-
	<u>25,551.21</u>	<u>937.69</u>

\* primarily includes Indirect taxes receivable, advances given to vendors and interest receivable

**20. Revenue From Operations**

	<b>(Rs. in Lacs)</b>	
<b>Particulars</b>	<b>2011-12</b>	<b>2010-11</b>
Mall Maintenance	1,364.00	1,363.72
Project Management Consultancy	1,335.29	905.83
Space Hire Charges	122.72	127.19
Professional Fees	197.77	-
License Fees	4,393.82	7,257.23
Sales	244.98	715.78
Other Operating Income	8,731.36	-
Share in Jointly Controlled entity	127.67	43.99
	<u>16,517.61</u>	<u>10,413.74</u>

**21. Other Incomes**

	<b>(Rs. in Lacs)</b>	
<b>Particulars</b>	<b>2011-12</b>	<b>2010-11</b>
Interest Income	3,537.37	59.42
Miscellaneous Income	35.61	51.93
Gain on sale of Current Investments (Net)	2,635.87	-
Interest on Income Tax Refund	24.93	-
Sundry balances Written off (net)	87.42	-
Share in Jointly Controlled entity	80.39	0.16
	<u>6,401.59</u>	<u>111.51</u>

**22. Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade**

	<b>(Rs. in Lacs)</b>	
<b>Particulars</b>	<b>2011-12</b>	<b>2010-11</b>
<b>Inventory (at the end of the year)</b>		
Work in Progress	2,410.64	-
<b>Inventory (at the beginning of the year)</b>		
Work in Progress	1,940.12	-
	<u>(470.52)</u>	<u>-</u>

**23. Cost of Services**

	<b>(Rs. in Lacs)</b>	
<b>Particulars</b>	<b>2011-12</b>	<b>2010-11</b>
Mall Maintenance Charges	659.68	292.39
Rent including lease rentals	7,632.15	6,114.79
	<u>8,291.83</u>	<u>6,407.18</u>

**24. Employee Benefit Expenses**

	<b>(Rs. in Lacs)</b>	
<b>Particulars</b>	<b>2011-12</b>	<b>2010-11</b>
Salaries, Wages and Bonus	1,673.49	1,124.83
Contribution to PF and Other Funds	54.45	31.53
Staff Welfare Expenses	12.07	6.63
Gratuity and Leave encashments	(18.80)	29.84
	<u>1,721.21</u>	<u>1,192.83</u>



**25. Finance Costs**

	(Rs. in Lacs)	
Particulars	2011-12	2010-11
Interest Expense	8,423.74	0.52
Other Borrowing Costs	4.75	-
Share in Jointly Controlled Entity	382.55	44.56
	<u>8,811.04</u>	<u>45.08</u>

**26. Other Expenses**

	(Rs. in Lacs)	
Particulars	2011-12	2010-11
Power and Fuel	683.99	377.42
Repairs and Maintenance - others	278.79	211.76
Rent	191.91	-
Auditors' Remuneration	8.63	2.85
Rates and Taxes	195.97	0.73
Legal and Professional Fees	253.45	-
Director Sitting Fees	2.90	1.30
Provision for Doubtful Debts	62.83	54.73
Miscellaneous Expenses	570.17	401.43
Loss on sale of Fixed Assets	1.32	-
Interest on delay payment of Tax deducted at source	1.74	-
Sundry Balances Written off (net)	19.86	-
Share in Jointly Controlled Entity	443.71	6.34
	<u>2,715.27</u>	<u>1,056.56</u>

**27. Scheme of Amalgamation:****Amalgamation of Future Realtors (India) Private Limited, Prudent Vintrade Private Limited and AIGL Holding and Investments Private Limited with the Company.**

During the year a scheme of amalgamation between the company and Future Realtors (India) Private Limited, Prudent Vintrade Private Limited and AIGL Holding and Investments Private Limited (amalgamating companies) under section 391 to 394 and other provision of the Companies Act, 1956 was filed in the High Court. Under the scheme entire assets and liabilities of Future Realtors (India) Private Limited, Prudent Vintrade Private Limited and AIGL Holding and Investments Private Limited were to vest with the Company with effect from April 1, 2011 ("Appointed Date"). The said scheme was approved by the Hon'ble High Court of Judicature at Bombay on January 20, 2012. The Company filed the certified copy of the court order approving the scheme with the Registrar of Companies (ROC), Mumbai on February 10, 2012 ("Effective Date") as required under the applicable provisions of Companies Act, 1956. According the said scheme became effective from April 1, 2011 ("Appointed Date") on February 10, 2012 ("Effective Date")

The method of accounting employed by the company (As per the approved scheme)

- The Company recorded all assets and liabilities at their respective fair values.
- Allotted 4,46,83,440 equity shares of Rs. 10/- each to the shareholders of Future Realtors (India) Private Limited, Prudent Vintrade Private Limited and AIGL Holding and Investments Private Limited as consideration under the scheme.
- The excess of fair value of assets over liabilities has been credited to Capital Reserve.

**28. Scheme of Amalgamation:****i. Amalgamation of Agre Properties & Services Limited, wholly owned subsidiary.**

Agre Properties & Services Limited, a wholly owned subsidiary of the Company, on May 08, 2012 filed a scheme of amalgamation with the company with the Hon'ble High Court of Judicature at Mumbai. The scheme shall be given effect in the books with effect from appointed date of April 1, 2011 upon receipt of necessary approval.



**ii. Amalgamation of KB Mall Management Company Limited, wholly Owned Subsidiary.**

KB Mall Management Company Limited, a wholly owned subsidiary of the Company, on May 08, 2012 filed a scheme of amalgamation with the company with the Hon'ble High Court of Judicature at Mumbai. The scheme shall be given effect in the books with effect from appointed date of January 1, 2012 upon receipt of necessary approval.

**29. Information on subsidiaries, joint ventures and associates:**

(a) Subsidiary companies considered in the consolidated financial statements are:

Sr. No.	Name of the Company	Country of Incorporation	Proportion of ownership Interest as on March 31, 2012	Financial Year Ends on
1	Agre Properties & Services Limited	India	100.00%	March 31, 2012
2	Precision Realty Developers Private Limited	India	100.00%	March 31, 2012
3	Future Trade Markets Private Limited *	India	70.00%	March 31, 2012
4	Star Shopping Centres Private Limited *	India	60.00%	March 31, 2012
5	KB Mall Management Company Limited *	India	100.00%	March 31, 2012
6	Niyman Mall Management Company Private Limited *	India	100.00%	March 31, 2012
7	Acute Realty Private Limited *	India	100.00%	March 31, 2012
8	Ojas Mall Management Private Limited *	India	100.00%	March 31, 2012
9	Nishta Mall Management Company Private Limited *	India	100.00%	March 31, 2012
10	Harmony Mall Management Private limited *	India	100.00%	March 31, 2012
11	Future Retail Destination Private Limited *	India	100.00%	March 31, 2012
12	Unique Malls Management Private Limited *	India	100.00%	March 31, 2012
13	Aabha Hotels Private Limited *	India	100.00%	March 31, 2012
14	Kshitij Retail Destination Private Limited *	India	100.00%	March 31, 2012
15	Shreya Mall Management Private Limited *	India	100.00%	March 31, 2012
16	Aashirwad Malls Private Limited *	India	100.00%	March 31, 2012
17	Sun City Properties Private Limited *	India	55.17%	March 31, 2012
18	Suhani Mall Management Company Private Limited	India	86.26%	March 31, 2012

\* Consequent to the scheme of amalgamation as detailed in note no. 27, these companies became subsidiaries w.e.f April 1, 2011.

(b) Interests in Joint Ventures: (As required by AS-27 "Financial Reporting of Interest in Joint Venture")

Sr. No.	Name of the Company	Description of interest	Country of Incorporation	Proportion of ownership Interest as on March 31, 2012	Financial Year Ends on
1	Riddhi Siddhi Mall Management Private Limited*	Equity	India	50.00%	March 31, 2012
2	Vishnu Mall Management Private Limited*	Equity	India	24.00%	March 31, 2012
3	Sattva Realtors Private Limited	Equity	India	50.00%	March 31, 2012

\* Consequent to the scheme of amalgamation as detailed in note no. 27, these companies became Joint Ventures w.e.f April 1, 2011.

(c) Investment in Associates: (As required by AS-21 "Accounting for Investments in Associates in Consolidated Financial Statements")

Sr. No.	Name of the Company	Description of interest	Country of Incorporation	Proportion of ownership Interest as on March 31, 2012	Financial Year Ends on
1	Riverbank Developers Private Limited*	Equity	India	25.00%	March 31, 2012

\* Consequent to the scheme of amalgamation as detailed in note no. 27, this company became associate w.e.f April 1, 2011.

**30. Acquisition and Divestment:**

- (a) During the year, the company through its subsidiary Agre Properties & Services Limited divested its holding in the joint venture Gupta Infrastructure (India) Private Limited.
- (b) Suhani Mall Management Company Private Limited became a subsidiary w.e.f. February 13, 2012. It was a joint venture of the Company till February 13, 2012.

**31. Contingent Liabilities not provided for:**

- Corporate Guarantee given by group to bank on behalf of Group Companies - Rs. 47,828.28 lacs (2010-11: Rs. NIL)
- Disputed Income Tax demand Rs. 60.70 lacs (2010-11: Rs. NIL)
- Disputed Service Tax demand Rs. 10.78 lacs (2010-11: Rs. NIL)

Based on the decisions of Appellate authorities and the interpretation of other relevant provisions, the company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.

- Interest on Secured Loans Rs. 11.27 lacs (2010-11: Rs. Nil) taken from Deewan Housing Finance Corporation Limited has not been provided on dispute by a group company.

32. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 1,026.56 lacs (2010-11: Rs. 379.07 lacs).

33. In respect of operating lease taken by the company, the future minimum lease rental obligation under non – cancellable operating leases in respect of these assets is Rs. 48,859.40 lacs (2010-11: Rs. 52,616.24 lacs):

**(Rs. in Lacs)**

		2011-12	2010-11
i)	Lease rentals recognised in Profit and Loss Account	7,976.81	6,114.80
ii)	Lease rentals payable not later than one year	7,188.22	9,463.08
iii)	Lease rentals payable later than one year and not later than five years	29,319.63	29,904.42
iv)	Lease rentals payable later than five years	12,351.55	13,248.75

34. In respect of operating lease given by the company, the future minimum lease rental receivable under non – cancellable operating leases is as follows:

**(Rs. in Lacs)**

		2011-12	2010-11
i)	Gross block of assets let out on operating lease	21,801.23	22,410.31
ii)	Accumulated depreciation as at March 31	7,982.95	3,967.89
iii)	Depreciation charged during the year to the Profit and Loss Account	1,117.08	998.28
iv)	Lease rentals recognised in Profit and Loss Account	6,274.03	6,591.27
v)	Lease rentals receivable not later than one year	860.36	4,293.30
vi)	Lease rentals receivable later than one year and not later than five years	1,409.40	15,961.39
vii)	Lease rentals receivable later than five years	148.87	2,410.05

**35. Related Party Disclosure:**

A) Disclosures as required by the Accounting Standard 18 "Related Party Disclosure" are given below:

**Joint Ventures:**

Vishnu Mall Management Private Limited  
Riddhi Siddhi Mall Management Private Limited  
Sattva Realtors Private Limited

**Enterprise having significant control:**

Future Corporate Resources Limited  
Manz Retail Private Limited

**Key Management Personnel:**

Mr. Sumit Dabriwala

**Relatives of Key Managerial Personnel:**

Ms. Priyanka Dabriwala

**B) Transaction with related Parties**
**(Rs. in Lacs)**

<b>Nature of transactions</b>	<b>Key Management Personnel and Relatives</b>	<b>Joint Ventures</b>	<b>Enterprise having significant control</b>
Managerial remuneration and Commission	139.23 (72.33)	- (-)	- (-)
Rent paid	3.36 (1.68)	- (-)	- (-)
Other Operating Income	- (-)	34.94 (-)	- (-)
Loans and Advance taken /repaid (Net)	- (-)	- (-)	1,140.00 (-)
Professional Fees Paid	- (-)	- (-)	12.00 (-)
Loans and Advance given /returned (Net)	- (-)	3,830.38 (-)	- (-)
Interest Received	- (-)	108.84 (-)	- (-)
<b>Balance as on March 31</b>			
Receivable	- (-)	2,437.68 (-)	- (-)
Payable	- (-)	- (-)	1,155.18 (-)

**Disclosure in respect of Material related party transaction during the year:**

- Loans and Advance given/returned (net) include to Vishnu Mall Management Private Limited Rs. 3,683.42 Lacs (2010-11 Rs. Nil).
- Interest received includes from Vishnu Mall Management Private Limited Rs. 108.84 Lacs (2010-11 Rs. Nil).
- Other Operating Income includes from Sattva Realtors Private Limited Rs. 34.94 Lacs (2010-11 Rs. Nil).

**36. Joint Venture Information:**

Company's shares of Assets, Liabilities, Income and Expenditure with respect to jointly controlled entities are as follows:

**(Rs. in Lacs)**

<b>Particulars</b>	<b>As at March 31, 2012</b>	<b>As at March 31, 2011</b>
Assets	7,668.44	1,034.04
Liabilities	7,668.44	897.68
Income	548.20	44.15
Expenditure	874.27	61.63

**37. Segment Report:**

The Company operates in a single business and geographical segment. Hence information required under Accounting Standard 17, 'Segment Reporting', is not disclosed.

**38. Earnings Per Share**

<b>Particulars</b>	<b>2011-12</b>	<b>2010-11</b>
Profit after tax (Rs. in Lacs)	7.69	40.63
The Weighted average number of Ordinary Shares for Basic and Diluted EPS	5,58,54,406	1,11,70,966
The Nominal Value per Share	10.00	10.00
Earnings per Ordinary share (Basic and Diluted) (Rs.)	0.01	0.36

- Goodwill on Consolidation is net of, Capital Reserve on consolidation, of Rs. 3,299.25 Lacs (2010-11: Nil).

40. For certain items, the Company and its Subsidiaries and Joint Ventures have followed different accounting policies. Necessary adjustments have been made in the consolidated accounts for alignment of these accounting policies.
41. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure, if any, relating to amounts unpaid as at the year-end together with interest paid/payable as required under the said Act have not been given.
42. Figures pertaining to the subsidiary companies and joint ventures have been reclassified wherever necessary to bring them in line with the group financial statements.
43. The Group has raised invoices on various tenants/licensees for rent/license fee and service tax thereon, in accordance with the terms of the agreements with the tenants/licensees, which provide that the tenants / licensees are liable to pay the service tax on the rent/license fees. The matter of levy of service tax on rent has been the subject matter of litigation in various courts and various courts have passed orders in connection with the same.

In cases where the Group has received the service tax amount on the rent/license fees from the tenants / licensees, the same has been deposited with the Government Treasury, in accordance with the provisions of Finance Act, 1994. However, in the cases where the tenants/licensees have protested levy of service tax and contended that they are covered by the judgments of various courts, the Group has not received service tax on the rent/license fee from the tenants/licensees and accordingly, same has not been deposited with Government Treasury. The amount of such service tax (excluding interest and penalty) not received from the tenants is Rs.1,658.26 lacs (2010-11 Rs. 1,076.78 lacs). The amount of sundry debtors is net of the said service tax amount.

These financial statements have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act, 1956. Previous year's figures have been recast /restated.

As per our report of even date attached

**For NGS & Co.**

Chartered Accountants

**Navin T. Gupta**

Partner

Membership No.40334

Place : Mumbai

Date : May 30, 2012

**For and on behalf of the Board of Directors**

**Sumit Dabriwala**

Managing Director

**Rajesh Kalyani**

Director

**Naina Hegde**

Chief Financial Officer

**P.L. Agarwal**

Director

**Anil Cherian**

Company Secretary

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2012**
**(Rs. in lacs)**

		<b>March 31, 2012</b>	<b>March 31, 2011</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net Profit/(Loss) Before Tax		<b>(758.57)</b>	335.09
Adjustments for :			
Depreciation		<b>2,498.58</b>	1,030.26
Interest Income		<b>(3,537.37)</b>	(59.42)
Interest Expenses		<b>8,423.74</b>	45.08
Provision for doubtful debts		<b>62.83</b>	-
Profit on sale of Investment		<b>(2,635.87)</b>	-
Loss on sale of Fixed Assets		<b>1.32</b>	-
On account of Scheme of Amalgamation		<b>(11,161.91)</b>	4,015.71
		<b>(6,348.69)</b>	5,031.62
<b>Operating Profit before Working Capital changes</b>		<b>(7,107.25)</b>	5,366.70
Adjustments for:			
Trade and Other Receivables		<b>(4,264.18)</b>	(2,717.36)
Inventories		<b>(810.68)</b>	-
Loans and Advances		<b>(6,049.85)</b>	(7,919.99)
Other Current Assets		<b>(118.99)</b>	-
Trade Payables, other liabilities		<b>14,836.57</b>	7,088.02
		<b>3,592.86</b>	(3,549.32)
<b>Cash generated from operations</b>		<b>(3,514.39)</b>	1,817.38
Taxes Paid		<b>(571.51)</b>	-
<b>Net Cash provided by/ used in operating activities</b>	<b>(A)</b>	<b>(4,085.90)</b>	1,817.38
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>			
Sale of Investments (Net)		<b>1,665.26</b>	(763.57)
Purchase of Fixed Assets		<b>(11,242.94)</b>	(3,665.38)
Interest received		<b>3,537.37</b>	59.42
Acquisition of subsidiaries		<b>1,921.44</b>	-
<b>Net Cash used in Investing Activities (B)</b>	<b>(B)</b>	<b>(4,118.87)</b>	(4,369.53)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Interest Expenses		<b>(8,423.74)</b>	(45.08)
Share application money received		<b>42.10</b>	-
Share issue expenses		<b>-</b>	(207.71)
Net Proceeds from Long Term Borrowings		<b>19,255.87</b>	-
Net Proceeds from Short Term Borrowings		<b>(2,134.52)</b>	3,008.16
<b>Net Cash used/provided by financing activities (C)</b>	<b>(C)</b>	<b>8,739.71</b>	2,755.38
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(A+B+C)</b>	<b>534.94</b>	203.23
Cash and Cash Equivalents at the beginning of the year		<b>207.84</b>	4.61
<b>Cash and Cash Equivalents at the end of the year</b>		<b>679.63</b>	207.84
Earmarked Deposits with Banks		<b>63.15</b>	-
<b>Cash and Cash Equivalents at the end of the year</b>		<b>742.78</b>	207.84

As per our report of even date attached

**For NGS & Co.**

Chartered Accountants

**Navin T. Gupta**

Partner

Membership No.40334

**For and on behalf of the Board of Directors**
**Sumit Dabriwala**

Managing Director

**P.L. Agarwal**

Director

**Rajesh Kalyani**

Director

**Naina Hegde**

Chief Financial Officer

**Anil Cherian**

Company Secretary

Place : Mumbai

Date : May 30, 2012

## FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES

(Rs. in Lacs)

Sr No.	Name of the subsidiary	The Financial year ending on	Share Capital	Share Application Money	Reserves & Surplus	Total Assets	Total Liabilities	Details of investments (except in case of investment in subsidiaries)	Turnover including Other Income	Profit/(loss) before taxation	Provisions for taxation/(benefit)	Profit/(loss) after taxation	Proposed dividend
1	Kshiti Retail Destination Private Limited	31-Mar-12	1.00	-	120.74	10,392.82	10,392.82	-	2,132.33	127.08	(435.69)	562.76	-
2	Shreya Mall Management Private Limited	31-Mar-12	1.00	-	(5.70)	433.96	433.96	-	1.91	(1.39)	-	(1.39)	-
3	Aashirwad Malls Private Limited	31-Mar-12	10.00	-	18.93	60.96	60.96	-	102.29	6.75	2.09	4.67	-
4	Hamony Malls Management Pvt Ltd	31-Mar-12	1.00	-	-	532.79	532.79	-	-	-	-	-	-
5	Kb Mall Management Company Limited	31-Mar-12	486.00	-	(1,234.74)	21,345.58	21,345.58	2,000.00	2,602.77	(401.23)	-	(401.23)	-
6	Nishtha Mall Management Company Private Limited	31-Mar-12	1.00	-	(13.95)	452.35	452.35	-	90.99	24.55	7.60	16.95	-
7	Ojas Mall Management Private Limited	31-Mar-12	1.00	-	(741.38)	13,772.31	13,772.31	-	1,767.14	(29.44)	(454.97)	425.52	-
8	Nirman Mall Management Company Private Limited	31-Mar-12	1.00	-	51.64	1,147.46	1,147.46	-	229.30	101.16	31.27	69.89	-
9	Unique Mall Private Limited	31-Mar-12	1.00	-	91.95	195.31	195.31	-	47.89	16.97	(10.53)	27.50	-
10	Acute Realty Private Limited	31-Mar-12	1.00	-	239.67	309.20	309.20	-	85.98	52.32	14.64	37.68	-
11	Future Retail Destination Private Limited	31-Mar-12	1.00	-	(0.23)	1,511.76	1,511.76	-	-	-	-	-	-
12	Aabha Hotels Private Limited	31-Mar-12	1.00	-	8.28	9.39	9.39	-	-	(0.18)	-	(0.18)	-
13	Suhani Mall Management Company Private Limited	31-Mar-12	98.23	-	2,022.63	4,335.23	4,335.23	-	277.40	(234.25)	(128.73)	(105.53)	-
14	Star Shopping Centres Private Limited	31-Mar-12	2.50	-	138.57	273.90	273.90	-	220.42	(10.23)	(0.74)	(9.49)	-
15	Suncity Properties Pvt Ltd	31-Mar-12	206.00	110.12	(2.44)	409.04	409.04	22.00	3.18	2.48	0.77	1.71	-
16	Agre Properties & Services Limited	31-Mar-12	5.00	-	26,435.95	46,420.55	46,420.55	339.25	11,635.13	1,228.18	297.04	931.14	-
17	Precision Realty Developers Pvt.Limited	31-Mar-12	1.00	-	(0.26)	6,340.08	6,340.08	0.19	0.13	0.13	0.04	0.09	-
18	Future Trade Markets Private Limited	31-Mar-12	87.74	-	5,414.59	5,518.53	5,518.53	4,912.25	-	(20.10)	-	(20.10)	-

## NOTES

[illegible]

## FUTURE MARKET NETWORKS LIMITED

**Registered Office:** Knowledge House, Shyam Nagar, Off Jogeshwari – Vikhroli Link Road,  
Jogeshwari (East), Mumbai – 400060.

**4<sup>th</sup> Annual General Meeting – Tuesday, 14<sup>th</sup> August 2012**

### ATTENDANCE SLIP

Please fill the attendance slip and hander it over at the entrance of the meeting venue.

Joint Shareholders may obtain additional Attendance Slip on reques

*DP ID		Registered Folio Number	
*Client ID		Number of Shares Held	

I / We certify that I / We am/are a registered shareholder/proxy of the Company. I / We hereby record my/our presence at the 4<sup>th</sup> Annual General Meeting of the Company on Tuesday, 14<sup>th</sup> day of August 2012 at 1.30 p.m. at Sunville Banquets 9, Dr. Annie Besent Road, Worli, Mumbai - 400018.

Name of the Shareholder / Proxy : .....

Address of the Shareholder / Proxy : .....

Signature of the Shareholder / Proxy : .....

\* Applicable for members holding shares in electronic form.

## FUTURE MARKET NETWORKS LIMITED

**Registered Office:** Knowledge House, Shyam Nagar, Off Jogeshwari – Vikhroli Link Road,  
Jogeshwari (East), Mumbai – 400060.

**4<sup>th</sup> Annual General Meeting – Tuesday, 14<sup>th</sup> August 2012**

### FORM OF PROXY

I / We ..... of .....  
..... being a member / members of Future Market  
Networks Limited hereby appoint .....  
... of ..... or failing him,  
..... of .....  
..... as my / our proxy to vote for me / us and on my / our behalf at the the  
4<sup>th</sup> Annual General Meeting of the Company on Tuesday, 14<sup>th</sup> day of August 2012 at 1.30 p.m. at Sunville  
Banquets 9, Dr. Annie Besent Road, Worli, Mumbai - 400018. or at any adjournment thereof.

Signed on this ..... day of ....., 2012

\* Applicable for members holding shares in electronic form.

Affix Re 1  
Revenue  
Stamp

#### NOTES:

- The proxy in order to be effective should be duly stamped, completed & signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. The Proxy need not be a member of the Company.
- The form should be signed across the stamp as per specimen signature registered with the Company.





## BOOK-POST

*If Undelivered, please return to*

**Future Market Networks Limited**

Future Group Office,  
SOBO Central Mall, 4th Floor,  
28, Pt. Madan Mohan Malviya Road,  
Near Haji Ali, Tardeo, Mumbai - 400 034.