

Future Supply Chain Solutions Limited

Annual Accounts
2014-15

future group 
india tomorrow

Future Supply Chain Solutions Limited
Balance Sheet as at March 31, 2015

	Note	As at March 31, 2015	(Rs. in lacs) As at March 31, 2014
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	3,913.83	3,913.83
Reserves and Surplus	3	17,863.72	16,186.96
Non-Current Liabilities			
Long-Term Borrowings	4	1,377.83	2,486.19
Deferred Tax Liabilities(net)	5	886.24	167.60
Other Long Term Liabilities	6	156.79	140.25
Long-Term Provisions	7	161.47	136.93
Current Liabilities			
Short-Term Borrowings	8	3,829.08	3,826.35
Trade Payables	9	8,147.71	6,974.32
Other Current Liabilities	10	2,331.15	1,910.29
Short-Term Provisions	11	28.89	24.33
TOTAL		38,696.71	35,767.05
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	12	14,617.14	13,969.43
Intangible Assets	12	278.87	412.62
Capital work-in-progress		129.39	892.67
Non-Current Investments	13	0.70	5.00
Long-Term Loans and Advances	14	2,268.77	2,764.66
Other Non Current Assets	15	1.00	
Current Assets			
Trade Receivables	16	18,191.38	14,357.31
Cash and Bank Balances	17	249.86	241.64
Short-Term Loans and Advances	18	2,943.09	2,290.67
Other Current Assets	19	16.51	833.05
TOTAL		38,696.71	35,767.05

The accompanying notes are an integral part of the Financial Statements

As per our report of even date


For NGS & Co. LLP
Chartered Accountants

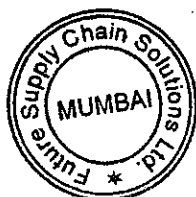



Ashok A Trivedi
Partner
Membership No.: 042472
Mumbai
Date : May 15, 2015



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


Anshuman Singh
(Managing Director & CEO)
DIN: 00012225




Kailash Sharma
(Chief Financial Officer)


C P Toshniwal
(Director)
DIN: 00036303


Vimal Dhruve
(Company Secretary)

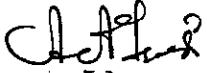
Future Supply Chain Solutions Limited
Statement of Profit and Loss for the year ended March 31, 2015

	Note	2014-15	(Rs. in lacs) 2013-14
Income:			
Revenue from Operations	20	40,796.33	33,015.97
Other Income	21	230.04	303.69
Total Revenue		41,026.37	33,319.66
Expenses:			
Cost of Logistics Services		26,167.51	22,215.78
Employee Benefit Expenses	22	4,378.34	4,410.89
Finance Costs	23	987.32	1,089.98
Depreciation and Amortisation Expenses	12	1,951.50	1,323.90
Other Expenses	24	3,848.99	3,590.92
Total Expenses		37,333.66	32,631.47
Profit before exceptional items and tax		3,692.71	688.19
Less : Exceptional items	25	28.42	202.78
Profit before Tax		3,664.29	485.41
Tax Expense:			
Current tax		692.43	41.10
Less: MAT Credit Entitlement		220.24	41.10
		472.19	-
Deferred Tax Charge		718.64	62.66
Profit/(Loss)for the year		2,473.46	422.75
Earnings Per Equity Share (Face Value Rs. 10/- each)			
Basic and Diluted		6.32	1.08

The accompanying notes are an integral part of the Financial Statements

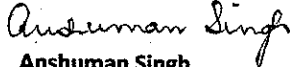
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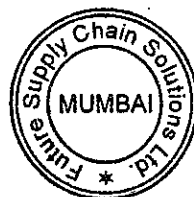

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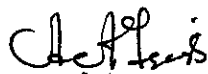
FUTURE SUPPLY CHAIN SOLUTIONS LIMITED
Cash Flow Statement for the year ended March 31, 2015

(Rs. in lacs)

Particulars	2014-15	2013-14
A Cash Flow from Operating Activities		
Net Profit Before Tax and exceptional items	3,692.71	688.20
Adjustments for :		
Depreciation and Amortisation	1,951.50	1,323.90
Reversal of Provision for doubtful advance of subsidiary	4.30	275.00
Loss on discard of assets	0.99	94.08
Provision for Doubtful Debts	53.57	64.46
Interest income	(196.36)	(191.59)
Interest expense	987.32	1,089.98
Operating profit before working capital changes	6,494.03	3,344.03
Changes in Working Capital		
Increase/(Decrease) in Trade Payables	1,173.39	(296.20)
Increase/(Decrease) in Other Current Liabilities	469.24	(394.96)
(Increase)/Decrease in Trade Receivables	(3,887.65)	1,809.48
(Increase)/Decrease in Other Assets	630.42	(2,357.14)
Cash generated from operations	4,879.43	2,105.21
Direct Taxes Paid	(472.19)	(330.27)
Net Cash generated from operations	4,407.24	1,774.94
B Cash Flow From Investing Activities		
Purchase of Fixed Assets / Advances for Capital Goods	(1,971.11)	(994.76)
Insurance Claim on Fire	(24.90)	832.94
Interest income	196.36	191.59
Net Cash used in Investing Activities	(1,799.65)	29.77
C Cash Flow from Financing Activities		
Adjustment pursuant to Scheme of Amalgamation and Arrangement	(532.28)	-
Proceeds from Long Term Borrowing	(1,108.36)	(801.81)
Interest expense	(987.32)	(1,089.98)
Net Cash from financing activities	(2,627.96)	(1,891.79)
Net Increase/(Decrease) in Cash and Cash Equivalent (A+B+C)	(20.37)	(87.08)
Cash and Cash Equivalents (At the beginning of the year)	228.14	315.22
Cash and Cash Equivalents (At the end of the year)	207.77	228.14

As per our report of even date

For N G S & Co. LLP
Chartered Accountants



Ashok A Trivedi
Partner
Membership No.: 042472
Mumbai
Date : May 15, 2015




For and on behalf of the Board of Directors of
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(Managing Director & CEO)
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Vimal Dhruve
(Company Secretary)

FUTURE SUPPLY CHAIN SOLUTIONS LIMITED

Significant Accounting Policies and Notes on Accounts.

1. SIGNIFICANT ACCOUNTING POLICIES:

1.1 Basis of preparation:-

Financial statements have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspects of the Accounting Standards (AS) notified under Section 133 of the Companies Act, 2013.

1.2 Use of Estimates:-

Preparation of Financial Statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of 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 amounts of assets or liabilities in future periods.

1.3 Tangible Fixed Assets and Depreciation:-

Tangible fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Borrowing costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such assets upto the date when such assets are ready for its intended use.

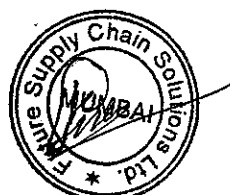
Pursuant to the enactment of the Companies Act, 2013 ("the Act"), the company has, effective from April 1, 2014 reassessed the useful life of its fixed asset and has computed depreciation with reference to the useful life of the assets as recommended in schedule II to the Act. Consequently, depreciation based on the transitional provision provided in schedule II, an amount of Rs. 264.42 lakhs has been adjusted with the opening reserves during the year ended March 31, 2015.

1.4 Intangible Assets and Amortization:-

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated losses, if any.

Intangible assets are amortized on a straight line basis over their useful lives as under:

Assets	Estimated useful life
Software	6 years
Exclusive Business Rights	10 years



1.5 Investments:-

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Investments are recorded at cost on the date of purchase, which includes acquisition charges such as brokerage, stamp duty, taxes etc. Current investments are stated at lower of cost and fair value which is determined on individual basis. Long-term investments are stated at cost, after deducting provisions made, if any, for other than temporary diminution in the value.

1.6 Transactions in foreign currency:-

Transactions in foreign currencies are recorded at the prevailing rates of exchange on the date of transaction. Monetary items denominated in foreign currencies, are restated at the prevailing rates of exchange at the balance sheet date. All gains and losses arising out of fluctuations in exchange rates are accounted for in the statement of Profit and Loss.

1.7 Revenue Recognition:-

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and can be reliably measured.

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

Interest income is recognised in the Statement of Profit and Loss taking into account the amount outstanding and rates applicable.

1.8 Retirement and other employee benefits:-

Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

Post employment and other long term employee benefits are recognized as an expense in the statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to Statement of Profit and Loss.

1.9 Taxation:-

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the provisions of 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 substantially enacted as at the Balance Sheet date.

Deferred tax asset are recognized only to the extent where there is a reasonable certainty that the assets can be realized in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets.



Deferred tax assets / liabilities are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

The Company offsets the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on net basis.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the guidance note issued by Institute of Chartered Accountants of India ('ICAI'), the said asset is created by way of a credit to the Statement of Profit and Loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

1.10 Provisions, Contingent Liabilities and Contingent Assets:-

Provisions involving substantial degree of estimation in measurement are recognized 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 recognized, but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

1.11 Impairment of assets:-

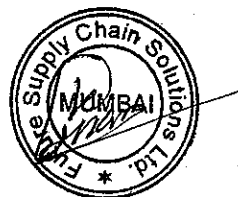
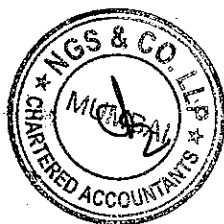
The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

1.12 Operating Leases:-

Leases where significant portion of risk and reward of ownership are retained by the lessor are classified as operating leases and lease rental thereof are charged to the Statement of Profit and Loss as per the terms of agreement which is representative of the time pattern of the user's benefit.

1.13 Earnings Per Share:-

Basic earning per share are calculated by dividing the net profit for the year attributable to equity shareholders.



	As at March 31, 2015	As at March 31, 2014
2 Share Capital		
Authorised		
40,000,000 Equity Shares of Rs. 10 each.	4,000.00	4,000.00
	<u>4,000.00</u>	<u>4,000.00</u>
Issued and Subscribed		
39,138,283 Equity Shares of Rs. 10 each fully paid up	3,913.83	3,913.83
	<u>3,913.83</u>	<u>3,913.83</u>

a) - Reconciliation of number of shares:

	As at March 31, 2015 No. of Shares	As at March 31, 2014 No. of Shares
Opening Balance	3,91,38,283	3,91,38,283
Changes during the year		
Closing Balance	<u>3,91,38,283</u>	<u>3,91,38,283</u>

b) - Rights and restrictions attached to the shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled for one vote per share.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholdings.

c) - Shares in the company held by holding company

Name	As at March 31, 2015 No. of Shares	As at March 31, 2014 No. of Shares
Equity shares		
Future Retail Limited (Formerly known as Pantaloon Retail (India) Limited)	2,74,62,962	2,74,62,962
Total	<u>2,74,62,962</u>	<u>2,74,62,962</u>

d) - Shareholders holding more than 5% of the equity shares in the Company.

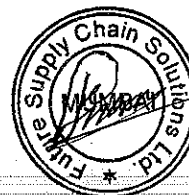
Name	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	%	No. of Shares	%
Future Retail Limited [Formerly Known as Pantaloon Retail (India) Limited]	2,74,62,962	70.2%	2,74,62,962	70.2%
SKC 1 Limited	1,01,75,321	26.0%	1,01,75,321	26.0%
Total	<u>3,76,38,283</u>	<u>96.2%</u>	<u>3,76,38,283</u>	<u>96.2%</u>

3 Reserves and Surplus

Securities Premium Account		
As per last Balance Sheet	16,499.17	16,499.17
Less : Adjustment pursuant to Scheme of Amalgamation and Arrangement (Refer Note 38)	504.05	
	<u>15,995.12</u>	<u>16,499.17</u>
Surplus in Statement of Profit and Loss		
As per last Balance Sheet	(312.21)	(734.96)
Less : Adjustment pursuant to Scheme of Amalgamation and Arrangement (Refer Note 38)	(28.23)	
Less : Adjustment for Depreciation as per schedule II of the Companies Act ,2013	(264.42)	
Add: Profit for the year	2,473.46	422.75
	<u>1,868.60</u>	<u>(312.21)</u>
	<u>17,863.72</u>	<u>16,186.96</u>



	As at March 31, 2015	As at March 31, 2014
4 Long-Term Borrowings		
Secured		
Rupee Term Loan from Banks	1,377.83	2,486.19
	<u>1,377.83</u>	<u>2,486.19</u>
4.1 Rs. 2466 lacs (including current maturity) is secured by first pari passu charge on the Company's movable and immovable fixed assets and personal guarantee by one of the directors and Rs. 20.19 Lacs secured by hypothecation of car.		
4.2 Amount repayable Rs. 1370 lacs in 2016 - 17. Rate of interest ranging from 13.50% to 14.00%.		
4.3 Amount Repayable Rs. 7.83 Lacs in 2016-17 . Rate of interest ranging from 10.35% to 10.38%		
5 Deferred tax Liabilities (net)		
Major components of the deferred tax balances consist of the following:		
Deferred Tax Liability		
Related to Fixed Assets	1,002.48	1,153.83
	<u>1,002.48</u>	<u>1,153.83</u>
Deferred Tax Assets		
Disallowances under the Income Tax Act, 1961	116.24	119.70
Carry forward losses/ unabsorbed depreciation	-	866.53
	<u>116.24</u>	<u>986.23</u>
Deferred Tax liability (net)	<u>886.24</u>	<u>167.60</u>
6 Other Long Term Liabilities		
Security Deposits	156.79	140.25
	<u>156.79</u>	<u>140.25</u>
7 Long-Term Provisions		
Provision for Employee Benefits		
Provision for Employee Benefit	161.47	136.93
	<u>161.47</u>	<u>136.93</u>
8 Short-Term Borrowings		
Secured		
Working Capital borrowing from Banks	3,829.08	3,826.35
(1. Secured by first charge on current assets of the company along with the other banks under multiple banking arrangements.		
2. Second pari passu charge on fixed assets of the company)		
(Rate of interest ranging from 11.70% to 13.85%)		
	<u>3,829.08</u>	<u>3,826.35</u>
9 Trade Payables		
Trade Payables	8,147.71	6,974.32
1. There are no Micro, Small and Medium Enterprise, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2015 and no interest payment has been made during the year to any Micro, Small and Medium Enterprises.		
2. This information as required to be disclosed under the Micro, Small and Medium Enterprises development Act 2006, has been determined to the extent such parties have been identified the basis of information available with the company		
	<u>8,147.71</u>	<u>6,974.32</u>
10 Other Current Liabilities		
Current Maturities of Long Term Borrowings	1,108.36	833.15
Security Deposits	4.56	4.47
Customer advances	41.11	80.36
Statutory Liabilities	132.58	248.25
Capital Creditors	129.56	120.84
Liabilities for Expenses	914.98	623.22
	<u>2,331.15</u>	<u>1,910.29</u>
11 Short-Term Provisions		
Provision for Employee Benefits	28.89	24.33
	<u>28.89</u>	<u>24.33</u>



FUTURE SUPPLY CHAIN SOLUTIONS LIMITED
Notes to the Financial Statements

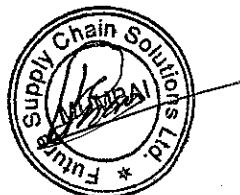
12. FIXED ASSETS

Description	Gross Block			Depreciation/Amortizations			Net Block				
	As at April 1, 2014	Additions during the year	Deletions	As at March 31, 2015	Upto April 1, 2014	Deletions	Adjustment for Depreciation as per Schedule II	For the year	Upto March 31, 2015	As at March 31, 2015	As at March 31, 2014
A: TANGIBLE ASSETS											
Leasehold Improvements	843.84	1,085.22	20.65	1,908.41	718.61	20.65	-	104.36	802.32	1,106.09	125.23
Plant and Machinery	12,668.36	1,039.16	50.09	13,657.43	2,485.83	45.95	-	1,030.37	3,470.25	10,187.18	10,182.53
Electrical Installations	1,862.14	347.74	10.87	2,199.01	355.44	10.87	-	255.15	599.72	1,599.29	1,506.70
Computers	1,964.30	117.53	233.65	1,848.18	1,443.13	233.50	227.11	107.63	1,544.37	303.81	521.16
Furniture and Fixture	1,773.09	78.46	5.93	1,845.62	441.46	5.67	-	219.01	654.80	1,190.82	1,331.63
Vehicles	72.80	-	-	72.80	5.74	-	-	8.71	14.45	58.35	67.06
Office Equipments	327.52	56.28	4.55	379.25	92.40	4.55	37.31	82.49	207.65	171.60	235.12
Total A	19,512.05	2,724.39	325.74	21,910.70	5,542.61	321.19	264.42	1,807.72	7,293.56	14,617.14	13,969.43
B: INTANGIBLE ASSETS											
Software	1,087.89	10.03	-	1,097.92	714.74	-	-	133.78	848.52	249.40	373.15
Exclusive Business Rights	100.00	-	-	100.00	60.53	-	-	10.00	70.53	29.47	39.47
Total B	1,187.89	10.03	-	1,197.92	775.27	-	-	143.78	919.05	278.87	412.62
GRAND TOTAL (A+B)	20,699.94	2,734.42	325.74	23,108.62	6,317.88	321.19	264.42	1,951.50	8,212.61	14,896.01	14,382.05
Previous Year	22,370.02	227.37	1,897.45	20,699.94	5,481.54	487.65	-	1,323.90	6,317.99	14,382.05	16,888.38



	As at March 31, 2015	As at March 31, 2014
13 Non-Current Investments		
Non - Trade Investment (at cost)		
Unquoted		
Equity Shares In Subsidiary		
50,000 Equity share of FSC Brand Distribution Services Limited of Rs. 10/- each fully paid up		5.00
National Saving Certificate*	0.70	-
Aggregate cost of unquoted investments	<u>0.70</u>	<u>5.00</u>
*Under lien with Sales Tax Department		
14 Long Term Loan and Advances		
(Unsecured, considered good)		
Capital Advances		3.88
Security Deposits	1,478.80	1,661.66
Advance to Subsidiary		305.00
Deduction of Income Tax (Net of provisions)	494.11	718.50
Mat Credit Entitlement	295.86	75.62
	<u>2,268.77</u>	<u>2,764.66</u>
15 Other Non Current Assets		
Long term bank deposits*	1.00	-
	<u>1.00</u>	<u>-</u>
*Under lien with Sales Tax Department		
16 Trade Receivables		
(Unsecured)		
- Outstanding for a period exceeding six months		
considered doubtful	118.02	90.01
considered good	757.29	599.08
Less: Provision for doubtful debts	<u>118.02</u>	<u>90.01</u>
	757.29	599.08
Other debts considered good	17,434.09	13,758.23
	<u>18,191.38</u>	<u>14,357.31</u>
17 Cash and Bank Balances:		
Cash and cash equivalents		
Balances with Banks:		
In Current Accounts	197.79	212.90
Cash on Hand	9.98	15.24
Other bank balances		
Short term bank deposits *	42.09	13.50
	<u>249.86</u>	<u>241.64</u>

Under lien.



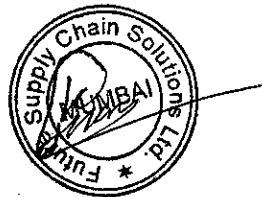
Future Supply Chain Solutions Limited
Notes to the Financial Statements

(Rs In lacs)

	As at March 31, 2015	As at March 31, 2014
18 Short-Term Loans and Advances		
(Unsecured, considered good)		
Security Deposits	723.63	418.40
Others Loans and Advances*	719.46	372.27
Inter Corporate Deposit	1,500.00	1,500.00
(Unsecured, considered doubtful)		
Security Deposits	1.48	1.48
Less: Provision	1.48	1.48
	<u>2,943.09</u>	<u>2,290.67</u>

* Primarily includes advances to suppliers and Indirect taxes receivable.

19 Other Current Assets		
Interest receivable	1.51	0.12
Insurance Claim Receivable	15.00	832.93
	<u>16.51</u>	<u>833.05</u>



Future Supply Chain Solutions Limited
Notes to the Financial Statements

Particulars	(Rs. in lacs)	
	2014-15	2013-14
20 Revenue from Operations		
Logistic Services	40,770.42	32,985.25
Other Operating Income	25.91	30.72
	<u>40,796.33</u>	<u>33,015.97</u>
21 Other income		
Interest Income	196.36	191.59
Sundry Balance written back (Net)	17.86	24.35
Other income	15.82	87.75
	<u>230.04</u>	<u>303.69</u>
22 Employee Benefit Expenses		
Salaries, Wages and Bonus	4,015.76	4,067.64
Contribution to Provident and Other Funds	134.73	134.29
Staff Welfare Expenses	227.85	208.96
	<u>4,378.34</u>	<u>4,410.89</u>
23 Finance Costs		
Interest Expense	981.32	1,060.58
Other Borrowing Cost	6.00	29.40
	<u>987.32</u>	<u>1,089.98</u>
24 Other Expenses		
Electricity Expenses	515.61	427.20
Rent	168.55	185.50
Rates and Taxes	26.45	14.17
Insurance	79.35	87.37
Repairs and Maintenance		
Plant and Machinery	277.51	176.57
Others	186.12	184.48
Travelling and Conveyance Expenses	686.79	564.19
Auditors' Remuneration		
Statutory Audit Fees	7.50	6.00
Tax Audit Fees	0.25	0.25
Security Expenses	737.93	604.12
Service Tax Paid	-	217.09
Provision for Doubtful Debts	53.57	64.46
Loss on discard of Fixed Assets	0.99	94.08
Donations	0.52	0.23
Miscellaneous Expenses	1,107.85	965.21
	<u>3,848.99</u>	<u>3,590.92</u>
25 Exceptional items		
Loss on Fire	28.42	482.78
Less: Reversal of		
Provision for Diminution in value of investment	-	5.00
Provision for doubtful advance of subsidiary	-	275.00
	<u>28.42</u>	<u>280.00</u>
	<u>28.42</u>	<u>202.78</u>



FUTURE SUPPLY CHAIN SOLUTIONS LIMITED

Notes on Accounts

26. Contingent Liabilities not provided for:

Bank Guarantees outstanding Rs. 42.09 Lakhs (2014: Rs.10.00 Lakhs)

27. Estimated amounts of contracts remaining to be executed on capital account and not provided for, (net of advances) Rs. 148.81 Lakhs. (2014: Rs.34.58 Lakhs)

28. Cost of Services includes Rent paid Rs. 4027.79 Lakhs (2014 : Rs. 4,201.25 Lakhs)

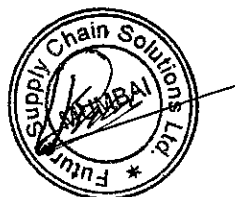
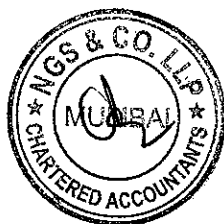
29. There are no Micro, Small and Medium Enterprises, to whom the Company owes dues which are outstanding for more than 45 days during the period. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and relied by the auditors.

30. Related Party disclosures

The management has identified the following related parties for disclosures under AS 18:

Holding Company	- Future Retail Limited.[Formerly known as Pantaloon Retail (India) Limited]
Subsidiary Company	- FSC Brand Distribution Services Limited (Up to 15 th September 2014)
Fellow Subsidiaries	- NA
Key Management Personnel	- Anshuman Singh (Managing Director and CEO)
Enterprise having significant influence over the reporting entity	- SKC 1 Limited

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



(Rs. in Lakhs)

Nature of Transactions	Holding Company	Fellow Subsidiaries	Subsidiary Company	Key Management Personnel
Purchase of Fixed Assets	619.64 (504.34)	- (-)	- (-)	- (-)
Income from operation	16,758.23 (4,803.20)	- (10,436.91)	- (-)	- (-)
Reimbursement of Expenses	187.85 (41.92)	- (33.59)	- (0.82)	- (-)
Rent paid	21.39 (7.04)	- (7.66)	- (-)	- (-)
Expenses	2.55 (2.84)	- (2.99)	- (-)	- (-)
Remuneration	- (-)	- (-)	- (-)	193.29 (178.13)
Advances given	- (-)	- (-)	- (30.00)	- (-)
As on March 31,				
Receivable	6,352.53 (6,089.27)	- (172.87)	- (430.29)	- (-)

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

Income from operation includes services rendered to Future Value Retail Limited Rs. NIL (2014: Rs. 9,972.70 Lakhs).

Reimbursement of Expense includes Future Value Retail Limited Rs. NIL (2014: Rs. 33.59 Lakhs).

Expenses include Staples Future Office Products Limited Rs. NIL (2014: Rs. 2.99 Lakhs)

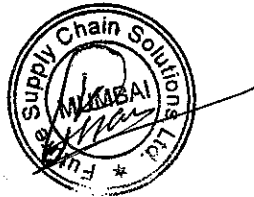
Rent paid includes Future Value Retail Limited Rs. NIL (2014: Rs. 7.66 Lakhs).

Notes :

The shareholders of the Company had passed the special resolution at the extra ordinary general meeting held on 16 April 2013 to waive the recovery of excess remuneration paid to the Managing Director and accordingly, applied to the Central Government. The Central Government has, however, rejected the application and directed the Company to recover the remuneration so paid to the Managing Director. However, the Company has represented before the Joint Secretary, Ministry of Corporate Affairs, for reconsideration of the rejection and grant of approval. The said representation is pending for disposal.

The shareholders of the Company had also passed the special resolution at the extra ordinary general meeting held on 16 April 2013 for the re-appointment of the Managing Director and accordingly, filed requisite application with the Central Government. The said application is pending for disposal.

Figures in brackets relate to previous year.



31. Earnings Per Share

Particulars	2014-15	2013-14
Profit for the year (Rs. In Lakhs)	2473.46	422.75
Weighted average number of equity shares outstanding	3,91,38,283	3,91,38,283
Earnings per share of Rs.10/- each - Basic and Diluted	6.32	1.08

32. Lease

The Company's significant leasing arrangements are in respect of operating leases for premises (office warehouses etc) These leasing arrangements which are non-cancellable range between 3 months and 11 years generally or longer and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rents payable are charged as "Rent" under Note No. 24 and Note no.28. Lease Rent payable not later than one year is Rs.2,393.60 Lakhs (2014: Rs.1,992.47 Lakhs), payable later than one year but not later than five year is Rs.6,171.88 Lakhs (2014: Rs.3,978.81 Lakhs) and payable later than five years is Rs. 3,607.97 Lakhs (2014: Rs. 3,100.39 Lakhs)

33. Value of Imports (during the year on CIF basis)

Particulars	(Rs. in Lakhs)	
	2014-15	2013-14
Capital Goods	NIL	NIL

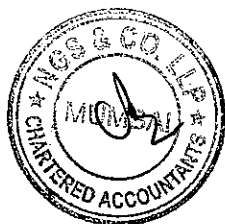
34. Expenditure in Foreign Currency (on accrual basis)

Particulars	(Rs. In Lakhs)	
	2014-15	2013-14
Travelling Expenses	3.82	3.29
Freight forwarding	99.16	40.64
Software Licences	14.80	6.60
Spare Parts	5.96	NIL

35. Disclosure pursuant to Accounting Standard 15 – Employee Benefits

Defined Contribution Plan

Amount recognised as an expenses and included in Schedule 12 under the "Contribution to Provident and Other Funds" of Statement of Profit and Loss account Rs. 134.73 Lakhs (2014: Rs.134.29 Lakhs).



Defined Benefit Plan

Reconciliation of Opening and Closing balances of Defined Benefit Plan

(Rs. in Lakhs)

Particulars	Gratuity (Funded)		Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
	Present value of obligation at the beginning of the year	2.23	1.88	108.07	89.95	53.21
Current service cost	-	-	30.19	24.44	20.57	16.94
Interest cost	-	-	8.82	7.35	4.26	3.99
Actuarial (gain)/Loss	(0.16)	-	(7.46)	5.32	2.47	(2.25)
Benefits paid by company	-	-	(13.23)	(18.64)	(16.40)	(15.32)
Benefit paid by the Insurance Co.	-	-	-	-	-	-
Bank Balance	0.30	0.35	-	-	-	-
Present value of obligation at the yearend	2.37	2.23	126.25	108.07	64.11	53.21

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

(Rs. in Lakhs)

	Gratuity (Funded)	
	2014-15	2013-14
	Fair value of plan assets at the beginning of the year	2.23
Expected return on plan assets	-	-
Actuarial gain/(loss)	(0.16)	-
Benefits paid	-	-
Bank Balance	0.30	0.35
Fair value of plan assets at the end the year	2.37	2.23

Reconciliation of fair value of assets and obligation

(Rs. in Lakhs)

	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
	Present value of obligation	128.62	110.30	64.11
Less: Fair Value of the plan assets	(2.37)	(2.23)	-	-
Liability Recognised in the Balance sheet	126.25	108.07	64.11	53.21

Expenses recognised in Statement of Profit and Loss

(Rs. in Lakhs)

	Gratuity (Funded)		Gratuity (Unfunded)		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
	Current service cost	-	-	30.19	24.44	20.57
Interest cost	-	-	8.82	7.35	4.26	3.99
Expected return on plan assets	-	-	(0.14)	-	-	-
Actuarial (gain)/Loss	-	-	(7.46)	5.32	2.47	(2.25)
Net Cost	-	-	31.41	37.10	27.30	18.68



Experience Adjustments(Rs. in Lakhs)

Experiences	March 2011	March 2012	March 2013	March 2014	March 2015
Defined Benefit Obligation	68.56	79.31	91.83	110.30	128.62
Plan Assets (includes bank balance)	20.42	15.42	1.88	2.23	2.37
Surplus / (Deficit)	(48.14)	(63.89)	(89.95)	(108.07)	(126.25)
Experience adjustments on Plan Liabilities	(1.13)	(11.48)	3.17	5.32	(7.46)
Experience on Plan Assets	0.14	0.10	0.73	NA	0.05

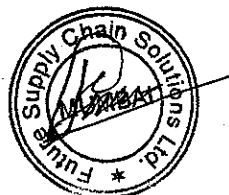
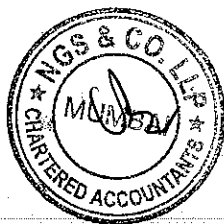
Assumptions used in the actuarial valuation are as below

	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
Discounted rate (per annum)	8%	8%	8%	8%
Expected rate of future salary increase	5%	5%	5%	5%

36. The Company is engaged only in Logistic business in India and there are no separate reportable business and geographical segments as per Accounting Standard 17, Segment Reporting.
37. The Company's assets were damaged/ destroyed in a fire on January 30, 2014 at its warehouse Bangalore. The Company had filed a claim with the insurance company and the survey was completed. During the year the Company has received the claim amount from the insurance company as well as the Company has realised the salvage value of assets destroyed/damaged. The net resultant loss of Rs. 28.42 lakhs on account of loss on fire has been disclosed as an exceptional item in the Statement of Profit and Loss.
38. During the year, the Company has received the approval for the amalgamation of FSC Brand Distribution Services Limited from the High Court of judicature at Bombay. The Company has accounted for the treatment of the said scheme as under :

Composite scheme of arrangement and amalgamation:

Pursuant to the scheme of Arrangement and Amalgamation approved by the Hon'ble High Court of Judicature at Bombay on September 09, 2014, entire assets and liabilities pertaining to FSC Brand Distribution Services Limited were transferred to Future Supply Chain Solutions Limited, the holding company, effective from January 01, 2014 (Appointed Date). The Company had filed the certified copy of the court order approving the FSC Brand Distribution Services Limited Scheme with Registrar of Companies (ROC), Mumbai on September 15, 2014 as required under applicable provision of the



Companies Act. Accordingly, the said scheme became effective from the Appointment Date on September 15, 2014 (Effective Date)

Salient feature of the scheme were under:

(a) With effect from January 1, 2014 (Appointed Date), all the assets and liabilities of the Business Undertaking of the company were transferred and vested into Future Supply Chain Solutions Limited.

(b) Since the entire share capital of FSC Brand Distribution Services Limited was held by Future Supply Chain Solutions Limited, it was not required to issue any shares or pay any consideration to either FSC Brand Distribution Services Limited or its shareholders.

Accounting (As per approved scheme)

a. Upon the scheme becoming effective and from the Appointed Date, the paid up share capital of FSC Brand Distribution Services Limited was cancelled.


b. The assets and liabilities of FSC Brand Distribution Services Limited were transferred to Future Supply Chain Solutions Limited in the financial year 2014-2015.

c. The difference in the value of assets and the value of liabilities transferred pursuant to the Scheme, along with the debit balance in the Statement of Profit and Loss, to the extent balances were available was debited to Securities Premium Account.

39. Previous year figures have been regrouped/rearranged wherever necessary.

As per our report of even date


For NGS & Co. LLP
Chartered Accountants


Ashok A Trivedi
Partner
Membership No. 042472
Mumbai
May 15, 2015

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


Anshuman Singh
[Managing Director & CEO]
DIN: 00012225


Kailash Sharma
(Chief Financial Officer)


C P Toshniwal
[Director]
DIN: 00036303


Vimal Dhruve
[Company Secretary]

