

**Future Hospitality  
Management Limited**

**Annual Report**

**2010-11**

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

*Mr. Ashokkumar Shinkar*  
*Mr. Prashant Shetty*  
*Mr. Chetan Gandhi*

### **STATUTORY AUDITORS**

*M/s. S. V. Ghatalia & Associates*

### **BANKERS**

*HDFC Bank Limited*

### **REGISTERED OFFICE**

*FCH House, Peninsula Corporate Park,  
Ganpatrao Kadam Marg, Lower Parel,  
Mumbai - 400 013.*  
*Tel No. : +91 22 6642 3485*  
*Fax No.: +91 22 6642 3401*

## DIRECTORS' REPORT

Dear Members,

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

### FINANCIAL HIGHLIGHTS

Particulars	(Amount in Rs.)	
	Year Ended 31 <sup>st</sup> March, 2011	Year Ended 31 <sup>st</sup> March, 2010
Income from operations	-	-
Other Income	24,962	-
<b>Total Income</b>	<b>24,962</b>	<b>-</b>
Administration Expenses	77,967	-
Rates and taxes	-	1,924
Legal & Professional charges	-	9,825
Audit fees	-	62,669
<b>Total Expenditure</b>	<b>77,967</b>	<b>74,418</b>
<b>Profit/(Loss) before taxation and prior period items</b>	<b>(53,005)</b>	<b>(74,418)</b>
Provision for taxation :		
Current Tax	-	-
Deferred Tax	-	-
<b>Profit/(loss) after tax and before prior period items</b>	<b>(53,005)</b>	<b>(74,481)</b>
Prior period expenses		-
<b>Net profit/(loss) for the year</b>	<b>(53,005)</b>	<b>(74,481)</b>
Balance brought forward previous year	(339,227)	(264,809)
<b>Balance carried forward to Balance Sheet</b>	<b>(392,232)</b>	<b>(339,227)</b>

The Company is in the process of undertaking initial steps towards undertaking its activities, the detailed operations are expected to be rolled out in the future.

The total income of the Company during the year stood at Rs. 24,962/-, and the loss after tax was Rs. 392,232 /-

### DIVIDEND

Your Directors regret their inability to recommend any dividend on equity shares for the financial year under review.

### DIRECTORS

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

The Board of Directors appointed Mr. Ashokkumar Shinkar as an Additional Director with effect from 2<sup>nd</sup> November, 2010. In terms of Section 260 of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Ashokkumar Shinkar holds office as an Additional Director up to the date of ensuing Annual General Meeting of the Company and is eligible for appointment as the Director. The Company has received requisite notice together with deposit, as provided under Section 257 of the Companies Act, 1956, from a Member proposing the appointment of Mr. Ashokkumar Shinkar. Approval of Members is being sought at the ensuing Annual General Meeting.

During the year under review, Mr. N. Shridhar resigned from the Board of Directors of the Company with effect from 5<sup>th</sup> November, 2010.

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

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

#### **AUDITORS & AUDITORS' REPORT**

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

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

#### **PUBLIC DEPOSITS**

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

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

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

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

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

## **PARTICULARS OF EMPLOYEES**

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

## **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- a) that in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2011, the applicable accounting standards had been followed.
- b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year.
- c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) that the Directors have prepared the annual accounts for the financial year ending 31<sup>st</sup> March, 2011 on a going concern basis.

## **ACKNOWLEDGEMENT**

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

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

**On behalf of the Board of Directors**

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

**Ashokkumar Shinkar**  
*Director*

**Chetan Gandhi**  
*Director*

**Auditors' Report**

To,  
**The Members of Future Hospitality Management Limited**

1. We have audited the attached Balance Sheet of Future Hospitality Management Limited (the 'Company') as at March 31, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
  - iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - v. On the basis of the written representations received from the directors, as on March 31, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2011;
    - b) in the case of the profit and loss account, of the loss for the year ended on that date; and
    - c) in the case of cash flow statement, of the cash flows for the year ended on that date.

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

*[Signature]*  
per Amit Kabra  
Partner

Membership No: 094533

Place: Mumbai

Date: 20 JUN 2011



# S.V.GHATALIA & ASSOCIATES

Chartered Accountants

**Annexure referred to in paragraph [3] of our report of even date**

**Re: Future Hospitality Management Limited (the 'Company')**

- (i) The Company does not have any fixed assets. Hence, the provisions of Clause 4(i)(a), (b) and (c) of the Companies (Auditor's Report) Order 2003 (as amended) are not applicable to the Company.
- (ii) The Company does not have any inventory. Hence, the provisions of Clause 4(ii)(a), (b) and (c) of the Companies (Auditor's Report) Order 2003 (as amended) are not applicable to the Company.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence, the provisions of clause 4 (ii) (b) (c) and (d) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.  
  
(b) As informed, the Company has not taken any loans, secured or unsecured from Companies, Firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence, the provisions of clause 4 (ii) (f) and (g) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the sale of services. The activities of the Company do not involve purchase of inventory, fixed assets 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. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the company.
- (v) According to the information and explanations provided by the management, we are of the opinion that the Company has not entered into any contracts or arrangements with the companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. The provisions of clause 4(v)(b) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- (vi) The Company has not accepted any deposits from the public.
- (vii) The provision relates to internal audit and are not applicable to the Company.
- (viii) To the extent of our knowledge and as explained, Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, service tax, cess and other material statutory dues applicable to it. The Provisions relating to provident fund, investor education and protection fund, employees' state insurance, sales-tax, wealth-tax, customs duty, excise duty are not applicable to the company.



# S.V. GHATALIA & ASSOCIATES

Chartered Accountants

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

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, , customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) The Company has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty per cent or more of its net worth and whether it has incurred cash losses in such financial year and in the immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of any dues to a financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company has not dealt/traded in shares, securities, debentures and other investments. Therefore provisions of Clause 4(xiv) of the Companies (Auditor's Report) Order 2003 (as amended) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company did not raise any term loans during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been prima facie used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company did not raise any money by way of public issues during the year.





# S.V. GHATALIA & ASSOCIATES

Chartered Accountants

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit

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

*Amit*

per Amit Kabra  
Partner

Membership No. 094533

20 JUN 2011



**Future Hospitality Management Limited  
Balance Sheet as at March 31, 2011**

		As at March 31, 2011	Amount in Rupees As at March 31, 2010
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Share capital	1	500,000	500,000
<b>Total</b>		<u>500,000</u>	<u>500,000</u>
<b>APPLICATION OF FUNDS</b>			
<b>Current assets, loans and advances</b>			
Cash and bank balances	2	179,464	216,163
		<u>179,464</u>	<u>216,163</u>
<b>Less: Current liabilities</b>			
Current liabilities	3	71,696	55,390
		<u>71,696</u>	<u>55,390</u>
<b>Net current assets</b>		107,768	160,773
<b>Profit and Loss Account</b>		392,232	339,227
<b>Total</b>		<u>500,000</u>	<u>500,000</u>
<b>Notes to accounts</b>	6		

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

As per our report of even date

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

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

Place: Mumbai  
Date: 20 JUN 2011

For and on behalf of the Board of Directors of  
Future Hospitality Management Limited

*[Signature]*  
Director

*[Signature]*  
Director

Place: Mumbai  
Date: 20 JUN 2011



**Future Hospitality Management Limited  
Profit and Loss Account for the year ended March 31, 2011**

	Schedules	For the year ended March 31, 2011	Amount in Rupees For the year ended March 31, 2010
<b>Income from operations</b>			
Income from operations		-	-
Other income	4	24,962	-
<b>Total</b>		<u>24,962</u>	<u>-</u>
<b>Expenditure</b>			
Administrative and other expenses	5	77,967	74,418
<b>Total</b>		<u>77,967</u>	<u>74,418</u>
<b>Loss before tax</b>		<u>(53,005)</u>	<u>(74,418)</u>
<b>Provision for tax:</b>			
- Current tax		-	-
- Deferred tax		-	-
<b>Loss after tax</b>		<u>(53,005)</u>	<u>(74,418)</u>
Add : Balance brought forward from previous year		<u>(339,227)</u>	<u>(264,809)</u>
<b>Balance carried to Balance Sheet</b>		<u><u>(392,232)</u></u>	<u><u>(339,227)</u></u>
<b>Earnings per share (Basic and Dilluted)</b> [refer note C4 of Schedule 6]		(1.06)	(1.49)

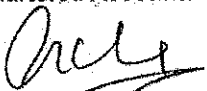
Notes to accounts

6

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

As per our report of even date

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

  
per Amit Kabra  
Partner  
Membership No. 094533

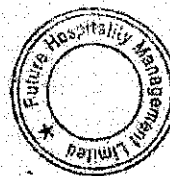
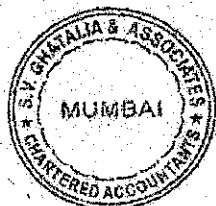
Place : Mumbai  
Date : 20 JUN 2011

For and on behalf of the Board of Directors of  
Future Hospitality Management Limited

  
Director

  
Director

Place : Mumbai  
Date : 20 JUN 2011



Future Hospitality Management Limited  
Cash Flow Statement for the year ended March 31, 2011

	For the year ended March 31, 2011	Amount in Rupees For the year ended March 31, 2010
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before tax	(53,005)	(74,418)
Adjustments		
Excess provision written back	(24,962)	
<b>Operating profit before working capital changes</b>	<b>(77,967)</b>	<b>(74,418)</b>
<u>Changes in working capital:</u>		
Increase/ (Decrease) in Current Liabilities	41,268	(45,434)
<b>Net cash used in operating activities</b>	<b>(36,699)</b>	<b>(119,852)</b>
Net increase/ (decrease) in cash and cash equivalents	(36,699)	(119,852)
Cash and cash equivalents at the beginning of the year	216,163	336,015
Cash and cash equivalents at the end of the year	<b>179,464</b>	<b>216,163</b>
<u>Cash and cash equivalents comprises of:</u>	As at March 31, 2011	As at March 31, 2010
Balance with scheduled bank on current accounts	179,464	216,163
	<b>179,464</b>	<b>216,163</b>

As per our report of even date

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

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

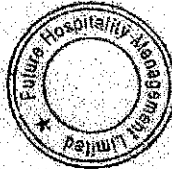
Place: Mumbai  
Date: 20 JUN 2011

For and on behalf of the Board of Directors of  
Future Hospitality Management Limited

*P. S. Mehta*  
Director

*S. V. Ghatalla*  
Director

Place: Mumbai  
Date: 20 JUN 2011



**Future Hospitality Management Limited**  
**Schedules forming part of the Balance Sheet**

	As at March 31, 2011	Amount in Rupees As at March 31, 2010
<b>SCHEDULE 1</b>		
<b>Share Capital</b>		
<b>Authorised share capital</b>		
100,000 (Previous year: 100,000) equity Shares of Rs. 10/- each	1,000,000	1,000,000
	<b>1,000,000</b>	<b>1,000,000</b>
<b>Issued, Subscribed &amp; Paid-up</b>		
50,000 (Previous year: 50,000) equity shares of Rs.10/- each fully paid up, [Out of the above, 50,000 (Previous year: 50,000) equity shares are held by Future Capital Holdings Limited, the Holding Company & its nominee	500,000	500,000
	<b>500,000</b>	<b>500,000</b>
<b>Total</b>	<b>500,000</b>	<b>500,000</b>
<b>SCHEDULE 2</b>		
<b>Cash and bank balances</b>		
Balance with scheduled banks: current account	179,464	216,163
	<b>179,464</b>	<b>216,163</b>
<b>Total</b>	<b>179,464</b>	<b>216,163</b>
<b>SCHEDULE 3</b>		
<b>Current liabilities</b>		
Sundry creditors [refer note C6 of Schedule 5]		
(a) Due to micro enterprises and small enterprises	71,696	55,390
(b) Due other than micro enterprises and small enterprises	71,696	55,390
	<b>71,696</b>	<b>55,390</b>
<b>Total</b>	<b>71,696</b>	<b>55,390</b>



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Future Hospitality Management Limited  
Schedules forming part of the Balance Sheet

	For the year ended March 31, 2011	For the year ended March 31, 2010
<b>SCHEDULE 4</b>		
<b>Other income</b>		
Excess provision written back	24,962	
	<u>24,962</u>	<u>-</u>
 <b>SCHEDULE 5</b>		
<b>Administrative and other expenses</b>		
Legal and professional charges	16,545	9,825
Rates and taxes	3,684	1,924
<u>Auditor's Remuneration</u>		
- Audit fees	55,150	58,256
- Others	933	4,413
Miscellaneous expenses	1,655	-
<b>Total</b>	<u>77,967</u>	<u>74,418</u>



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## FUTURE HOSPITALITY MANAGEMENT LIMITED

### Schedules forming part of the financial statements

#### SCHEDULE 6

#### Significant Accounting Policies And Notes To Accounts

##### A. Background

Future Hospitality Management Limited was incorporated on March 31, 2007 and intends to engage in the business of developing and managing business of all types of hotels, long stay apartments, service apartments, motels, restaurants. Future Hospitality Management Limited is a wholly owned subsidiary of Future Capital Holdings Limited.

The Company has not yet commenced its business activities during the year. The Company's holding Company viz. Future Capital Holding Limited has informed the Company of its intention of providing operational and financial support to the Company to meet its obligations as they fall due and accordingly, the financial statements have been prepared on a going concern basis.

##### B. Significant accounting policies

###### 1. Basis of Accounting

The financial statements have been prepared to comply in all material respects with the Notified accounting standard by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis.

###### 2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

###### 3. Revenue Recognition

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

###### 4. Provisions

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

###### 5. Taxation

Income tax comprises of current and deferred. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.



**FUTURE HOSPITALITY MANAGEMENT LIMITED**

Schedules forming part of the financial statements

**SCHEDULE 6**

**Significant Accounting Policies And Notes To Accounts**

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the income statement in the year of enactment of the change. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. On carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognised only if there is virtual certainty that such deferred tax assets can be realised against future taxable profits.

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

**6. Earnings Per Share**

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

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

**7. Cash and Cash Equivalents**

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



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**FUTURE HOSPITALITY MANAGEMENT LIMITED**

Schedules forming part of the financial statements

**SCHEDULE 6**

**Significant Accounting Policies And Notes To Accounts**

**C. NOTES TO ACCOUNTS**

**1. Contingent Liabilities**

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

**2. Capital Commitments**

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

**3. Related Party Disclosure**

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

**Parties where control exists:**

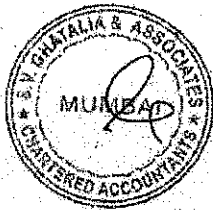
Ultimate Holding Company      Pantaloon Retail (India) Limited  
Holding Company                  Future Capital Holdings Limited

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

Future Finance Limited

**b) Transactions with Related parties:**

Nature of transaction	Holding Company		Fellow Subsidiaries	
	2010-11	2009-10	2010-11	2009-10
Reimbursement of operating expenses	3,024	7,773	3,884	4,351
<b>Closing Balances:</b>				
Payable /Receivable	-	-	-	-



*Handwritten signature*

**FUTURE HOSPITALITY MANAGEMENT LIMITED**

Schedules forming part of the financial statements

**SCHEDULE 6**

**Significant Accounting Policies And Notes To Accounts**

**4. Earning Per Share**

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

Particulars	Year ended	Year ended
	March 31, 2011	March 31, 2010
	Rs.	Rs.
Net profit/(loss) considered for the year	(53,005)	(74,418)
Weighted average number of equity shares outstanding during the year	50,000	50,000
Nominal value per share	Rs.10	Rs.10
Basic and dilutive EPS	(1.06)	(1.49)

**5. Segment Reporting**

The Company has not commenced its business activities during the year. Hence, no disclosure is required pursuant to the notified 'AS17 - Segmental Reporting'.

**6. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006**

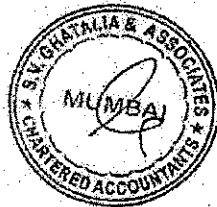
The Company did not have any transactions with Small, Micro and Medium Enterprises as defined under "Micro, Small and Medium Enterprises Development Act, 2006" and hence there are no amounts due to such undertakings. The identification of units is based on the management's knowledge of their status.

**7. Deferred Tax Assets**

The company has not recognized deferred tax asset in respect of timing difference related to preliminary expenses and unabsorbed business loss at the end of the year as there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such net deferred tax asset can be realized.

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

Additional information pursuant to the provisions of paragraph 3, 4C and 4D of part II of the Schedule VI to the Companies Act, 1956 is not provided, as certain requirements are not applicable to the Company during the year.



**FUTURE HOSPITALITY MANAGEMENT LIMITED**

Schedules forming part of the financial statements

**SCHEDULE 6**

**Significant Accounting Policies And Notes To Accounts**

**9. Prior Period Comparatives**

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

As per our Report of even date attached

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

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

Place: Mumbai  
Date: 20 JUN 2011

For and on behalf of the Board of Directors  
Future Hospitality Management Limited

*[Signature]*  
Director

*[Signature]*  
Director

Place: Mumbai  
Date: 20 JUN 2011



Future Hospitality Management Limited  
Additional Information pursuant to Part IV of Schedule VI to The Act.  
Balance Sheet Abstract and Company's General Business Profile

**I. Registration Details**

Registration No. U85110MH2007PLC169493  
 State Code 1 1  
 Balance Sheet 3 1 0 3 2 0 1 1  
 Date Date Month Year

**II. Capital Raised During the Year (Amount in Rs. Thousands)**

Public Issue <span style="border: 1px solid black; padding: 2px;">N</span> <span style="border: 1px solid black; padding: 2px;">I</span> <span style="border: 1px solid black; padding: 2px;">L</span>	Rights Issue <span style="border: 1px solid black; padding: 2px;">N</span> <span style="border: 1px solid black; padding: 2px;">I</span> <span style="border: 1px solid black; padding: 2px;">L</span>
Bonus Issue <span style="border: 1px solid black; padding: 2px;">N</span> <span style="border: 1px solid black; padding: 2px;">I</span> <span style="border: 1px solid black; padding: 2px;">L</span>	Private Placement <span style="border: 1px solid black; padding: 2px;">N</span> <span style="border: 1px solid black; padding: 2px;">I</span> <span style="border: 1px solid black; padding: 2px;">L</span>

**III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)**

Total Liabilities (including shareholder's funds) <span style="border: 1px solid black; padding: 2px;">5</span> <span style="border: 1px solid black; padding: 2px;">7</span> <span style="border: 1px solid black; padding: 2px;">2</span>	Total Assets <span style="border: 1px solid black; padding: 2px;">5</span> <span style="border: 1px solid black; padding: 2px;">7</span> <span style="border: 1px solid black; padding: 2px;">2</span>
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**Sources of Funds**

Paid-up Capital <span style="border: 1px solid black; padding: 2px;">5</span> <span style="border: 1px solid black; padding: 2px;">0</span> <span style="border: 1px solid black; padding: 2px;">0</span>	Reserves and Surplus <span style="border: 1px solid black; padding: 2px;">N</span> <span style="border: 1px solid black; padding: 2px;">I</span> <span style="border: 1px solid black; padding: 2px;">L</span>
Secured Loans <span style="border: 1px solid black; padding: 2px;">N</span> <span style="border: 1px solid black; padding: 2px;">I</span> <span style="border: 1px solid black; padding: 2px;">L</span>	Unsecured Loan <span style="border: 1px solid black; padding: 2px;">N</span> <span style="border: 1px solid black; padding: 2px;">I</span> <span style="border: 1px solid black; padding: 2px;">L</span>
Deferred Tax <span style="border: 1px solid black; padding: 2px;">N</span> <span style="border: 1px solid black; padding: 2px;">I</span> <span style="border: 1px solid black; padding: 2px;">L</span>	

**Application of Funds**

Net Fixed Assets <span style="border: 1px solid black; padding: 2px;">N</span> <span style="border: 1px solid black; padding: 2px;">I</span> <span style="border: 1px solid black; padding: 2px;">L</span>	Investments <span style="border: 1px solid black; padding: 2px;">N</span> <span style="border: 1px solid black; padding: 2px;">I</span> <span style="border: 1px solid black; padding: 2px;">L</span>
(Please tick appropriate box + for Positive, - for Negative) + - <input checked="" type="checkbox"/> <input type="checkbox"/>	Miscellaneous Expenditure <span style="border: 1px solid black; padding: 2px;">N</span> <span style="border: 1px solid black; padding: 2px;">I</span> <span style="border: 1px solid black; padding: 2px;">L</span>
Net Current Assets <span style="border: 1px solid black; padding: 2px;">1</span> <span style="border: 1px solid black; padding: 2px;">0</span> <span style="border: 1px solid black; padding: 2px;">8</span>	
Accumulated Losses <span style="border: 1px solid black; padding: 2px;">3</span> <span style="border: 1px solid black; padding: 2px;">9</span> <span style="border: 1px solid black; padding: 2px;">2</span>	

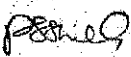
**IV. Performance of Company (Amount in Rs. Thousands)**

Turnover (including other income) <span style="border: 1px solid black; padding: 2px;">2</span> <span style="border: 1px solid black; padding: 2px;">5</span>	Total Expenditure <span style="border: 1px solid black; padding: 2px;">7</span> <span style="border: 1px solid black; padding: 2px;">8</span>
(Please tick appropriate box + for Profit, - for Loss) + - <input type="checkbox"/> <input checked="" type="checkbox"/>	(Please tick appropriate box + for Profit, - for Loss) + - <input type="checkbox"/> <input checked="" type="checkbox"/>
Profit / Loss Before Tax <span style="border: 1px solid black; padding: 2px;">5</span> <span style="border: 1px solid black; padding: 2px;">3</span>	Profit / Loss After Tax <span style="border: 1px solid black; padding: 2px;">5</span> <span style="border: 1px solid black; padding: 2px;">3</span>
(Please tick appropriate box + for Positive, - for Negative) + - <input type="checkbox"/> <input checked="" type="checkbox"/>	Dividend Rate % <span style="border: 1px solid black; padding: 2px;">N</span> <span style="border: 1px solid black; padding: 2px;">I</span> <span style="border: 1px solid black; padding: 2px;">L</span>
Earning Per Share (in Rs.) <span style="border: 1px solid black; padding: 2px;">1</span> <span style="border: 1px solid black; padding: 2px;">0</span> <span style="border: 1px solid black; padding: 2px;">6</span>	

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

Item Code No. (ITC Code)	Product Description
Not Applicable	Investment Advisory

For and on behalf of the Board of Directors  
Future Hospitality Management Limited



Director



Director

Place: Mumbai

Date: 20 JUN 20

