FUTURE MARKET NETWORKS

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CIN: L45400MH2008PLC179914

September 20, 2018

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051

Dept of Corporate Services (CRD)
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

Dear Sirs,

Sub: Outcome of 10th Annual General Meeting (AGM) and voting results of the Company

Ref: Scrip Code: BSE – 533296 and NSE – FMNL

With reference to the above, please note that the 10th Annual General Meeting (AGM) of the Company was held on Wednesday, September 19, 2018 at 12.00 Noon at Sunville Banquets 9, Dr. Annie Besant Road, Worli, Mumbai – 400018 and the business mentioned in the Notice dated July 31, 2018 were transacted.

In this regard, Please find enclosed the following:

1. Summary of proceedings as required under Regulation 30, Para A of Part-A of Schedule -III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as Annexure – I.

2. Voting results as required under Regulation 44(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations as Annexure – II.

3. Report of Scrutinizer dated September 20, 2018, pursuant to Section 108 of the Companies Act, 2013 and Rule 20(4) (xii) of the Companies (Management and Administration) Rules, 2014.

4. Annual Report for the financial year 2017-18 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 duly approved and adopted by the members as per the provisions of the Companies Act, 2013.

The above said information/documents related to the 10th Annual General Meeting ('AGM') is available on the company's website, www.fmn.co.in

Please take the same on records.

Thanking you,

Yours faithfully,

For Future Market Networks Limited

Future Market Networks Ltd. Mumbai

Anil Cherian
Head – Legal and Company Secretary

Encl: a/a

Future Market Networks Ltd.
Corporate Office SOBO Central Mall, 4th Floor, 28, Pt. Madan Mohan Malviya Road, Near Haji Ali, Tardeo, Mumbai - 400 034
T +91 22 6620 1473 F +91 22 6620 1462 www.fmn.co.in Email info.fmnl@futuregroup.in
Registered Office Knowledge House, Shyam Nagar, Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060

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Future Market Networks Limited

Annual Report 2017-18

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COMPANY INFORMATION

THE BOARD OF DIRECTORS

Vijai Singh Dugar	:	Chairman & Independent Director
Udita Jhunjhunwala	:	Independent Director
K.A. Somayajulu	:	Independent Director
Sunil Biyani	:	Non-Executive Director
Rajesh Kalyani	:	Non-Executive Director
Pramod Arora	:	Whole Time Director
Pawan Agarwal	:	Chief Financial Officer
Anil Cherian	:	Company Secretary & Compliance Officer

STATUTORY AUDITORS

Viren Gandhi & Co.: Chartered Accountants, Mumbai

BANKERS

Kotak Mahindra Bank
Bank of Baroda

REGISTERED OFFICE

Knowledge House, Shyam Nagar,
Off. Jogeshwari - Vikhroli Link Road,
Jogeshwari (E) Mumbai – 400060
Telephone : 022 - 6199 4487
Fax : 022 - 6199 5269
E-mail : info.fmnl@futuregroup.in
Website : www.fmn.co.in

CIN: L45400MH2008PLC179914

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt Ltd
C 101, 247 Park, LBS Marg,
Vikhroli West, Mumbai 400083
Telephone : 022 - 4918 6000
Fax : 022 - 4918 6060

10th Annual General Meeting
on Wednesday, September 19, 2018 at 12.00 Noon at Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai – 400018

Caution regarding forward-looking statements:

This document contains statements about expected future events and financial and operating results of Future Market Networks Limited, which are forward-looking. By their nature, forward looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Future Market Networks Limited annual report 2017-18.

Members are requested to bring their copy of the Annual Report to the meeting. Members are also requested to direct all correspondence relating to shares to the Company's Registrar and Transfer Agents, Link Intime India Private Limited, at the address above.

Notice

Notice is hereby given that the 10th Annual General Meeting of the members of Future Market Networks Limited will be held on Wednesday, 19th day of September 2018 at 12.00 Noon at Sunville Banquets 9, Dr. Annie Besant Road, Worli, Mumbai - 400018 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
   a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2018 together with the reports of the Board of Directors and Auditors thereon; and
   b) the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2018 together with the report of Auditors thereon.
2. To appoint a director in place of Mr. Sunil Biyani (DIN: 00006583), who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. Rajesh Kalyani (DIN: 00220632), who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. To consider re-appointment of Mr. Somayajulu Ayyanna Kodukula (DIN: 02535927) as an Independent Director of the Company and if thought fit, to pass with or without modification (s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Somayajulu Ayyanna Kodukula (DIN: 02535927), an Independent Director of the Company, who is eligible for re-appointment and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company to hold office for two consecutive years w.e.f. September 28, 2018 and shall not be liable to retire by rotation hereinafter in accordance with the provisions of the Companies Act, 2013."

5. To consider re-appointment of Ms. Udita Jhunjhunwala (DIN: 00120951) as an Independent Director of the Company and if thought fit, to pass with or without modification (s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Udita Jhunjhunwala (DIN: 00120951), an Independent Director of the Company, who is eligible for re-appointment and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company to hold office for five consecutive years w.e.f. September 28, 2018 and shall not be liable to retire by rotation hereinafter in accordance with the provisions of the Companies Act, 2013."

6. To consider and if thought fit, to pass with or without modification (s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s), amendment(s), clarrification(s) or substitution(s) or re-enactment(s) thereof for the time being in force), the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), the provisions of the Memorandum and Articles of Association of the Company and the applicable rules, guidelines and circulars issued by the concerned statutory or regulatory authorities from time to time, the consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board", which term shall be deemed to include any Committee of the Board), to enter into following transactions with respective related parties and to the extent of maximum amounts as stated herein below:

Sr. No.	Nature of Transactions	Name of the Related Party	Name of Director or Key Managerial Personnel who is related, if any	Nature of Relationship	Nature, Material Terms, Monetary Value and particulars of the contract or arrangement	Any other information relevant or important for the Members to take decision on the proposed resolution
1.	Rentals / Deposits / Common Area Maintenance Charges / Inter Corporate Deposit / Advances / Reimbursement of expenses.	Future Retail Limited (FRL)	None	In terms of Indian Accounting Standard 24.	Arrangements with respect to commercial/retail space, both present and future at various locations in India on lease/ license, or any other similar arrangements for various retail formats of FRL on such terms and conditions as may be agreed amongst the parties in relation to lease rental/license fee, including common area maintenance charges and Deposits for an amount not exceeding ₹ 250 Crore per annum.	The existing arrangements have been reviewed by the Board and Audit Committee and the transactions are in ordinary course of business and at arm's length price.
2.	Rentals / Deposits / Common Area Maintenance Charges / Reimbursement of expenses.	Praxis Home Retail Limited (Praxis)	None	In terms of Indian Accounting Standard 24.	Arrangements with respect to commercial / retail space, both present and future at various locations in India on lease/ license, for various retail formats of Praxis on such terms and conditions as may be agreed amongst the parties in relation to lease rental/license fee, including common area maintenance charges and Deposits for an amount not exceeding ₹ 50 Crore per annum.	The renting / leasing transactions has been reviewed by the Board and Audit Committee and the transactions are in ordinary course of business and at arm's length price.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto and to settle and finalize all issues that may arise in this regard, without further referring to the Members of the Company, including without limitation, negotiating, finalizing and executing necessary agreements and ancillary agreements/undertakings, memorandum, deeds, documents and such other papers or writings as may be deemed necessary or expedient in its own discretion and in the best interest of the Company and to delegate all or any of its powers herein conferred to the Committee of Directors and/or any Director(s)/Officer(s) of the Company, to give effect to this resolution."

Registered Office:
Knowledge House, Shyam Nagar,
Off. Jogeshwari – Vikhroli Link Road, Jogeshwari East,
Mumbai – 400060
CIN: L45400MH2008PLC179914
E-mail: info.fmnl@futuregroup.in
Website: www.fmn.co.in

By Order of the Board
For Future Market Networks Limited

Place : Mumbai
Date : July 31, 2018

Anil Cherian
Head: Legal & Company Secretary

IMPORTANT NOTES:

1. An explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013("Act") and applicable Secretarial Standards, relating to special business to be transacted at the Annual General Meeting is annexed to the Notice.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER.** A person can act as a proxy on behalf of members up to and not exceeding fifty members and holding in the aggregate not more than ten percent of the total share capital of the Company.

   The instrument appointing proxy in order to be effective should be deposited at the registered office of the Company, duly completed and signed, not less than 48 (Forty Eight) hours before the commencement of the meeting.

3. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant Board Resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.

4. **The Securities and Exchange Board of India (SEBI) vide their circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 have directed all the listed companies to record the PAN and Bank Account details of all their shareholders. Accordingly, steps have already been taken for registering the PAN (including joint holders, if any) and Bank Account details. You are requested to forward the same to the Company / Registrar and Transfer Agent, Link Intime India Private Limited.**

5. **The Securities and Exchange Board of India (SEBI) vide their circular SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 has mandated that the transfer of securities of a listed company would be carried out in dematerialized form only. Accordingly in terms of amended Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the shares held in physical form will not be considered for transfer with effect from December 5, 2018.**

6. Any members proposes to seek any clarification on the financial statements are requested to send the queries to the Company at its registered office at least seven working days prior to the date of Annual General Meeting to enable the management to compile the relevant information to reply the same in the meeting.

7. Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 12, 2018 to Wednesday, September 19, 2018 (both days inclusive).

8. Under Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company has not yet declared dividend, however, in terms of section 125 (I) of the Companies Act, 2013, there are unclaimed sale proceeds of fractional shares arise out of issuance of shares consequent to the Demerger of the Company. This amount shall be due for transfer during the financial year 2018-2019.

   The members who have not yet claimed their entitlements are requested to make their claims directly to the Company or to Link Intime India Private Limited (RTA), C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083.

9. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

10. The Independent Directors of the Company have been appointed for a maximum term of 5 years in accordance with the relevant provisions of the Companies Act, 2013 and are not eligible to retire by rotation.

11. Details as required in sub-regulation (3) of Regulation 36 of the Listing Regulations in respect of the Directors seeking appointment/ re-appointment, at the Annual General Meeting, forms integral part of the notice. Requisite declarations have been received from the Directors for his / her / their appointment/ reappointment.

12. In terms of Section 101 and 136 of the Act read with the Rules made thereunder, electronic copy of the Annual Report is being send to all the Members whose email ID's are registered with the Company / Depository Participant (s) for communication purpose unless any Member has requested for a hard copy of the same.

Physical copy of the Annual Report is being sent to those Members, who have either opted for the same or have not registered their email addresses. In case any Member wishes to get a physical copy of the Annual Report, a request may be sent to info.fmnl@futuregroup.in or rnt.helpdesk@linkintime.co.in mentioning the folio number / DP ID and Client ID, as the case may be. The Annual Report is also available in the "Investors Relations" section on the website of the Company at www.fmn.co.in.

13. Electronic copy of the Notice of the 10th Annual General Meeting of the Company inter alia indicating the process and manner of electronic voting ('e-voting') along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 10th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent in the permitted mode.

    Members may also note that the Notice of the 10th Annual General Meeting, Attendance Slip, Proxy Form, Route Map, Ballot Paper and the Annual Report for 2018 will also be available on the Company's website www.fmn.co.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Knowledge House, Shyam Nagar, Off. Jogeshwari – Vikhroli Link Road, Jogeshwari East, Mumbai – 400060 for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication; the shareholders may also send requests to the Company's email id: info.fmnl@futuregroup.in.

14. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information related to e-voting are given in this Notice under Note No. 24. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members separately.

15. Following statutory registers shall be available for inspection by the Members at the Registered Office and copies thereof at the Corporate Office of the Company on all working days during business hours:

    i. Register of Contracts or Arrangements in which directors are interested under Section 189 of the Act. The said Register shall also be produced at the commencement of the AGM and shall remain open and accessible during the continuance of the AGM to any person having the right to attend the AGM.

    ii. Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Act. The said Register shall be kept open for inspection at the AGM and shall be made accessible to any person attending AGM.

16. Members can avail the nomination facility by filing Form SH – 13, as prescribed under section 72 of the Act and Rule 19 (1) of the Companies (Share Capital and Debentures) Rules, 2014, with the Company or the RTA.

17. The Annual Reports will not be distributed at the Annual General Meeting. Members/ Proxies should bring the enclosed Attendance Slip duly filled in, for attending the meeting along with the Annual Report.

18. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

19. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting.

20. Documents referred to in the Notice and explanatory statement are open for inspection at the Registered Office of the Company on all working days, (Monday to Friday) from 10.00 a.m to 1.00 p.m., except holidays, upto the date of the 10th AGM i.e September 19, 2018.

21. The Equity Shares of the Company are compulsorily traded in demat form and the shareholders who have not yet dematerialized their shares are requested to dematerialize their shares by opening DP Account with nearest Depository Participants at the earliest to avail the benefits of dematerialization.

22. Members holding shares in electronic form are requested to intimate immediately any changes in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form are requested to advise any change of address immediately to the Company / Registrar and Share Transfer Agent viz. Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083.

23. Non-Resident Shareholders are requested to inform immediately Registrar and Share Transfer Agent , Link Intime India Private Limited:
    a) The change in the Residential status on return to India for permanent settlement.
    b) The particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank, if not furnished earlier.

    Members desirous of receiving communication from the Company in electronic form, may register their email address with their respective depository participant. If, however, shares are held in physical form, Members are advised to register their e-mail address with the RTA by sending communication on rnt.helpdesk@linkintime.co.in, along with their folio no. and valid e-mail address for registration.

24. Voting through electronic means and poll:

I. In compliance with the provisions of Section 108 of the Companies Act, 2013 ("the Act") and Rule 20 of the Companies (Management and Administration) Rules, 2014 and amendments thereof and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company provides to Members the facility of exercising their right to cast vote(s) either by (a) remote e-voting (by using an electronic voting system as explained herein below (b) ballot paper at the AGM venue. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.

The Company also will be providing voting facility through polling paper at the Meeting and members attending the Meeting who have not already cast their vote by remote e-voting may be able to exercise their voting right at the Meeting. Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.

The Company has signed an agreement with National Securities Depository Limited ("NSDL") for facilitating e-voting to enable the Members to cast their vote(s) electronically.

The procedure and instructions for remote E-Voting facility are as follows:

A. **In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:**

i. Open email and open PDF file viz; "future market e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.

Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/

ii. Click on Shareholder – Login

iii. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

iv. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

v. Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.

vi. Select "EVEN" (Electronic Voting Event Number) of Future Market Networks Limited.

vii. Now you are ready for e-voting as Cast Vote page opens.

viii. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

ix. Upon confirmation, the message "Vote cast successfully" will be displayed.

x. Once you have voted on the resolution, you will not be allowed to modify your vote.

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to alwyn.co@gmail.com with a copy marked to evoting@nsdl.co.in

B. **In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy] :**

i	Initial password is provided as below/at the bottom of the Attendance Slip for the AGM		
	EVEN (Electronic Voting Event Number)	USER ID	PASSWORD / PIN
ii	Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.		

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com

II. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.

III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IV. The remote e-voting period commences on Sunday, September 16, 2018 (9:00 am) and ends on Tuesday, September 18, 2018 (5:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 12, 2018, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder by means of e-voting, shareholder shall not be allowed to change it subsequently.

V. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of August 03, 2018.

Any person who acquires shares of the Company and becomes member of the Company after the dispatch of the Notice and holding shares as of the cut-off date, i.e. August 03 2018 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or issuer.

However if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting vote. If you forget your password, you can reset your password by using "Forget User Details / Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no: 1800-222-990.

A member may participate in the Annual General Meeting even after exercising his right to vote through remote voting but shall not be allowed to vote again at the AGM.

Mr. Alwyn D'souza, Practicing Company Secretary of M/s. Alwyn D'souza & Co, Company Secretaries, Mumbai, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner at the 10th Annual General Meeting of the Company.

The Chairman shall at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, with the assistance of the scrutinizer, by use of "Ballot Paper" for all those members, who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

VI. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes casted at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make within a period of three (3) days from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him, of the Company.

The results declared along with the report of the scrutinizer shall be placed on the Company's website www.fmn.co.in and on the websites of Stock Exchanges and NSDL.

VII. The resolution shall be deemed to be passed on the date of the AGM, subject to receipt of sufficient votes through a compilation of voting results (i.e remote e-Voting and voting held at the AGM)

25. It may be noted that shareholders can opt for only one mode of voting i.e. either by Physical Ballot or e-Voting. In case of receipt of vote by both the modes, voting done through e-Voting shall prevail and voting done by Physical Ballot shall be treated as invalid.

Registered Office:
Knowledge House, Shyam Nagar,
Off. Jogeshwari – Vikhroli Link Road,
Jogeshwari East, Mumbai – 400060
CIN: L45400MH2008PLC179914
E-mail: info.fmnl@futuregroup.in
Website: www.fmn.co.in

By Order of the Board
For Future Market Networks Limited

Place : Mumbai
Date : July 31, 2018

Anil Cherian
Head : Legal & Company Secretary

Explanatory Statement
(Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 4, 5 & 6 of the accompanying Notice:

Item No. 4

Mr. Somayajulu Ayyanna Kodukula, Independent Director of the Company was appointed pursuant to the approval of members through ordinary resolution passed at the Annual General Meeting of the Company held on September 29, 2015. The term of his current appointment is expiring on September 28, 2018.

In terms of Regulation 19(4) read with Para A - 5 of Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to recommendation of Nomination, Remuneration and Compensation Committee, the Board of Directors of the Company at their meeting held on July 31, 2018 approved and recommended to the members for their approval for appointment of Mr. Somayajulu Ayyanna Kodukula, (DIN: 02535927) for a second term of two years starting from September 28, 2018 to September 27, 2020.

The Board has considered rich experience, knowledge, skills, valuable contribution to the Company and overall performance evaluation of Mr. Somayajulu Ayyanna Kodukula and recommended his re-appointment for second term of consecutive two years to the Members of the Company for approval.

Mr. Somayajulu Ayyanna Kodukula, has given a declaration to the Board that he meets the criteria of independence as provided under section 149 (6) of the Companies Act, 2013.

In the opinion of the Board, Mr. Somayajulu Ayyanna Kodukula, fulfills the conditions as specified in the Companies Act, 2013 and the rules made thereunder read with Schedule IV for appointment as an Independent Director.

Mr. Somayajulu Ayyanna Kodukula, does not hold any share in the Company in his name.

Copy of the draft letter of appointment of Mr. Somayajulu Ayyanna Kodukula, as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

Accordingly, the Board recommends the Special Resolution as set out in item No. 4 of the Notice for the approval of the Members.

Brief profile, qualification, experience, date of appointment on Board, number of Board meeting attended during the financial year 2017-18, directorships, membership/chairmanships of the Committees held in other companies of Mr. Somayajulu Ayyanna Kodukula, are enclosed along with the explanatory statement/ corporate governance report.

Save and except Mr. Somayajulu Ayyanna Kodukula and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

Item No. 5

Ms. Udita Jhunjhunwala, Independent Director of the Company was appointed pursuant to the approval of members through ordinary resolution passed at the Annual General Meeting of the Company held on September 29, 2015. The term of her current appointment is expiring on September 28, 2018.

In terms of Regulation 19(4) read with Para A - 5 of Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to recommendation of Nomination, Remuneration and Compensation Committee, the Board of Directors of the Company at their meeting held on July 31, 2018 approved and recommended to the members for their approval for appointment of Ms. Udita Jhunjhunwala (DIN: 00120951) for a second term of five years starting from September 28, 2018 to September 27, 2023.

The Board has considered rich experience, knowledge, skills, valuable contribution to the Company and overall performance evaluation of Ms. Udita Jhunjhunwala and recommended her re-appointment for second term of consecutive five years to the Members of the Company for approval.

Ms. Udita Jhunjhunwala has given a declaration to the Board that she meets the criteria of independence as provided under section 149 (6) of the Companies Act, 2013.

In the opinion of the Board, Ms. Udita Jhunjhunwala fulfills the conditions as specified in the Companies Act, 2013 and the rules made thereunder read with Schedule IV for appointment as an Independent Director.

Ms. Udita Jhunjhunwala does not hold any share in the Company in her name.

Copy of the draft letter of appointment of Ms. Udita Jhunjhunwala as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

Accordingly, the Board recommends the Special Resolution as set out in item No. 5 of the Notice for the approval of the Members.

Brief profile, qualification, experience, date of appointment on Board, number of Board meeting attended during the financial year 2017-18, directorships, membership/chairmanships of the Committees held in other companies of Ms. Udita Jhunjhunwala are enclosed along with the explanatory statement/ corporate governance report.

Save and except Ms. Udita Jhunjhunwala and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

Item No. 6

The Company is engaged, interalia, in the business of management of shopping malls on long term basis. Future Retail Limited (FRL) and Praxis Home Retail Limited (Praxis) are identified as related parties of the Company consequent to a scheme of merger approved by National Company Law Tribunal, Mumbai Bench with respect to companies who are shareholders of the Company at promoter group. FRL and Praxis are anchor tenant in the shopping malls managed and operated by the Company at various locations in India under the brand names – Big Bazaar, FBB, Home Town etc

In the ordinary course of business, the Company has entered into various long term lease/license arrangements with FRL and Praxis in relation to their retail stores prior to the effective date of the aforesaid merger and contracts of similar nature are expected to take place in future as well.

Pursuant to the requirements prescribed under the Companies (Meetings of the Board and its Powers) Rules, 2014 as amended from time to time, the details in relation to the related party transactions are provided in the resolution.

Pursuant to Regulation 23 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 the aggregate value of the consideration involved with respective related party transactions can qualify as material related party transaction and hence require approval of shareholders. In terms of the said Regulation, respective members who are Interested shall abstain from voting in respect of the proposed resolution given in the notice, irrespective of whether the entity is a party to the particular transaction or not.

The Board recommends the Resolution at Item Number 6 for the approval of the Members. None of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in the passing of the proposed Resolution save and except to the extent of their shareholding in the respective companies.

Registered Office:
Knowledge House, Shyam Nagar,
Off. Jogeshwari – Vikhroli Link Road,
Jogeshwari East, Mumbai – 400060
CIN: L45400MH2008PLC179914
E-mail: info.fmnl@futuregroup.in
Website: www.fmn.co.in

By Order of the Board
For Future Market Networks Limited

Place : Mumbai
Date : July 31, 2018

Anil Cherian
Head: Legal & Company Secretary

ADDITIONAL INFORMATION IN TERMS OF REGULATION 36 OF THE SECURITIES EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 SECRETARIAL STANDARD ON GENERAL MEETINGS ("SS-2"), ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA AND APPROVED BY THE CENTRAL GOVERNMENT IN RESPECT OF DIRECTORS BEING PROPOSED FOR APPOINTMENT / RE-APPOINTMENT

1.	**Name of Director**	Mr. Rajesh Kalyani
	DIN	00220632
	Date of Birth	October 8, 1969
	Date of Appointment	September 23, 2010
	Qualification	Chartered Accountant
	Expertise in specific functional areas	Mr. Rajesh Kalyani is a member of the Institute of Chartered Accountants of India with 27 years of experience. He is in employment at a senior position with one of the leading organized retailer and has wide experience in areas of business planning, project & working capital management, properties, commercial & taxation matters.
	Other Directorship(s) / Designated Partner	Retail Light Techniques India Limited R.R. Kalyani Enterprises LLP Expandus Capital Limited
	Membership in Committees	Name of the Company : Retail Light Techniques India Limited Committee : Audit Committee Position held : Chairman Name of the Company : Future Market Networks Limited Committees : Audit Committee, Nomination Remuneration and Compensation Committee and Stakeholders Relationship Committee Position held : Member
	Number of shares held in the Company	41025
	Relationship with other Directors	None
	Number of meetings of the Board attended during the financial year	Please refer Corporate Governance Report section of the Annual Report 2017-18

2.	**Name of Director**	Mr. Sunil Biyani
	DIN	00006583
	Date of Birth	October 24, 1969
	Date of Appointment	May 30, 2013
	Qualification	Masters in Business Administration
	Expertise in specific functional areas	Mr. Sunil Biyani is a Commerce Graduate and obtained Masters in Business Administration. He is instrumental in setting up various formats in the Future Group. He has extensive experience in textiles, retail sectors, building and construction, property related transactions and project management. He leads the real estate and mall management teams of various group companies within the Future Group.
	Other Directorship(s) / Designated Partner	Galaxy Entertainment Corporation Limited Apollo Design Apparel Parks Limited Goldmohur Design and Apparel Park Limited Bartraya Mall Development Company Private Limited Splendor Fitness Private Limited Star Shopping Centres Pvt. Ltd. Utility Developers Pvt. Ltd. Sun City Properties Pvt. Ltd. IRS Minerals Private Limited IRAA Minerals Private Limited SBRI Minerals Private Limited White Knight Mercantile LLP Oviya Multitrading LLP Biyani Capital Resources LLP GSR Capital Resources LLP
	Membership in Committees	Name of the Company : Apollo Design Apparel Parks Limited Committee : Audit Committee Position held : Member Name of the Company : Goldmohur Design and Apparel Park Limited Committee : Audit Committee Position held : Member Name of the Company : Future Market Networks Limited Committee : Stakeholder Relationship Committee Position held : Member Name of the Company : Galaxy Entertainment Corporation Limited Committee : Stakeholders Relationship Committee Position held : Member
	Number of shares held in the Company	50
	Relationship with other Directors	None
	Number of meetings of the Board attended during the financial year	Please refer Corporate Governance Report section of the Annual Report 2017-18

3.	**Name of the Director**	Mr. Somayajulu Ayyanna Kodukula
	DIN	02535927
	Date of Birth	April 28, 1953
	Qualifications	B.Com., CAIIBI
	Date of Appointment	November 13, 2014
	Expertise in specific functional areas	Mr. K.A. Somayajulu retired as Chief General Manager of Central Bank of India on April 30, 2013, on superannuation with over 41 yrs of experience in Commercial Banking, Corporate Credit, International Business, Treasury Operations, Merchant Banking, HRD and Credit Card Business. He has steered successfully the Bank's Chennai and Hyderabad zones in the capacity of Zonal Head and achieved new milestones in the business of the Bank. Mr. K.A. Somayajulu has varied experience in both administrative as well as operational areas in the capacity of Branch Manager, Regional Manager, Zonal Manager and General Manager in the field, and as Chief General Manager at Corporate Office. Mr. K.A. Somayajulu was appointed as a Member of various Internal Committees of the Bank where he played a key role in strategic policy & functional areas and corporate decision making.
	Other Directorships Held	NSL Krishnaveni Sugars Limited GMR Pochanpalli Expressways Limited. GMR Tambaram Tindivanam Expressways Limited
	Membership in Committees	Name of the Company : NSL Krishnaveni Sugars Limited i. Committee: Audit Committee Position held: Chairman ii. Committee : Nomination and Remuneration Committee Position held: Member Name of the Company: GMR Pochanpalli Expressways Limited. i. Committee: Audit Committee Position Held: Chairman ii. Committee : Nomination and Remuneration Committee Position held: Chairman iii. Committee: Securities Issue Allotment & Transfer Committee Position Held: Chairman iv. Committee: Corporate Social Responsibility Committee Position Held: Chairman Name of the Company : GMR Tambaram Tindivanam Expressways Limited i. Committee: Audit Committee Position held: Member ii. Committee : Nomination and Remuneration Committee Position held: Member
	Number of shares held in the Company	Nil
	Relationship with other Directors	None
	Number of meetings of the Board attended during the financial year	Please refer Corporate Governance Report section of the Annual Report 2017-18

4.	**Name of Director**	Ms. Udita Jhunjhunwala
	DIN	00120951
	Date of Birth	January 9, 1968
	Date of Appointment	November 13, 2014
	Qualification	Masters in Journalism, University of London
	Expertise in specific functional areas	Ms. Udita Jhunjhunwala is a well-established entertainment writer and film critic. She has done her Masters from university of London. She worked with MTV India and thereafter moved into journalism in 1998. After serving as Mid-Day newspaper's entertainment editor, where she established herself as a prominent writer and critic, covering Bollywood, Hollywood, regional and world cinema, television, fashion, theatre, music, art and lifestyle, she moved to Hindustan Times a national daily's Mumbai based edition as entertainment editor and film critic.
	Other Directorship(s) / Designated Partner	Galaxy Entertainment Corporation Limited Rain Fruits And More Private Limited Gati Relators Private Limited
	Membership in Committees	Name of the Company : Galaxy Entertainment Corporation Limited i. Committee : Audit Committee Position held : Member ii. Committee: Nomination Remuneration and Compensation Committee. Position held : Chairperson Name of the Company : Gati Relators Private Limited i. Committee : Audit Committee Position held : Member ii. Committee: Nomination Remuneration and Compensation Committee. Position held : Chairperson
	Number of shares held in the Company	Nil
	Relationship with other Directors	None
	Number of meetings of the Board attended during the financial year	Please refer Corporate Governance Report section of the Annual Report 2017-18

Director's Report

DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 10th Annual Report of the Company on the business and operations of the Company along with the audited financial statements for the financial year ended March 31, 2018.

Financial Results

The Company's performance during the financial year ended March 31, 2018 as compared to the previous financial year is summarised below:

a) Standalone (₹ in lakhs)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Revenue from Operations	**7941.43**	8250.06
Other Income	**3496.26**	3383.53
Total Income	**11437.69**	11588.59
Personnel Cost	**469.82**	467.63
Cost of units sold	**39.28**	384.66
Operating and other expenses	**5568.16**	6275.38
Total Expenditure	**6077.26**	7127.67
Profit before Interest, Depreciation and Tax	**5360.43**	4460.92
Less: Interest	**2326.54**	4200.32
Less: Depreciation	**2486.41**	2613.89
Profit / (Loss)before Taxation	**547.48**	(2353.29)
Less: Exceptional Item	**-**	-
Less: Provision for taxation	**-**	-
Less: Deferred Tax	**367.20**	52.80
Profit / (Loss) after Taxation	**180.28**	(2406.09)

b) Consolidated (₹ in Lakhs)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Revenue from Operations	**8424.76**	8699.57
Other Income	**3373.64**	3307.19
Total Income	**11798.40**	12006.76
Operating Cost	**4966.47**	4749.36
Cost of units sold	**39.28**	384.66
Personnel Cost	**469.82**	467.63
Other Expenses	**806.83**	1640.96
Total Expenditure	**6282.40**	7242.61
Profit before Interest, Depreciation and Tax	**5516.00**	4764.15
Less: Interest	**2457.12**	4360.59
Less: Depreciation	**2607.61**	2735.08
Profit /Loss before Taxation	**451.27**	(2331.52)
Share of net profit of associates and joint ventures accounted by using equity method	**(1639.62)**	118.94
Add: Profit on conversion of investment in equity instruments of joint venture into subsidiaries	**149.41**	-
Less: Provision for taxation	**19.84**	1.81
Less: Deferred Tax	**399.71**	76.88
Profit/(Loss) after Taxation from continuing operation	**(1458.49)**	(2291.27)
Profit/(Loss) from discontinued operation	**-**	(398.76)
Profit/ (Loss) for the year	**(1458.49)**	(2690.03)

Nature of Business

The Company is engaged in development and management of commercial, retail spacef and infra logistic projects. There was no change in nature of the business of the Company, during the year under review.

Dividend

The Board of Directors of the company have not recommended dividend for the financial year ended March 31, 2018 in order to conserve the resources. Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations) with regard to formulation of Dividend Distribution Policy are not applicable to our Company.

Transfer to reserves

It is not proposed to transfer any amount to reserves out of the profits earned during FY 2017-18.

Deposits from Public

During the year under review, your Company neither accepted any deposits nor there were any amounts outstanding at the beginning of the year which were classified as 'Deposits' in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.

Share Capital

The Authorized Share Capital of the Company is ₹ 90,31,00,000/- (Rupees Ninety Crores Thirty One Lakhs) divided into 9,02,60,000 equity shares of ₹ 10/- each and 5000 Preference Shares of ₹ 100/- each.

The subscribed and paid up share capital of the Company as on March 31, 2018 is ₹ 56,29,12,810/- divided into 5,62,91,281 equity shares of ₹ 10/- each.

Consolidated Financial Statements

As per Regulation 33 of the Listing Regulations and applicable provisions of the Companies Act, 2013 ("the Act") read with the rules issued thereunder, the Consolidated Financial Statements of the Company for the financial year 2017-18 have been prepared in compliance with applicable accounting standards and on the basis of audited financial statements of the Company.

Cash Flow Statement

In conformity with the provisions of Regulation 34 of Listing Regulations, the Cash Flow Statement for the year ended March 31, 2018 has been provided in the Annual Report and which forms part of this report.

Corporate Governance

Corporate Governance is about maximizing shareholder value legally, ethically and sustainably. At FMNL, the goal of corporate governance is to ensure fairness for every shareholder. The Board believes sound corporate governance is critical to enhance and retain investor trust. Our Board exercises its fiduciary responsibilities in the widest sense of the term and endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

Disclosures under section 134(3)(l) of the Companies Act, 2013

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position, have occurred between the end of the financial year of the Company and date of this report.

Particulars of loans, guarantees, investments under section 186 of the Companies Act, 2013

Particulars of loans, guarantees and investments given / made during the financial year under review and governed by the provisions of Section 186 of the Companies Act, 2013 are provided in the standalone financial statement (Please refer to Note No. 5 to the standalone financial statement).

Disclosure relating to equity shares with differential rights

The Company has not issued any equity shares with differential rights during the year under review and hence no information as per provisions of Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

Disclosure relating to sweat equity share

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

Disclosure relating to Employee Stock Option Scheme

i. Future Market Networks Limited - Employee Stock Option Scheme 2012

The Company has formulated Future Market Networks Limited - Employee Stock Option Scheme 2012 (FMNL – ESOS 2012). The Scheme is in Compliance with SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time ("SEBI Employee Benefits Regulations") and there has been no material changes to the aforesaid Plan during the financial year under review.

In compliance with the provisions of Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 and SEBI (Employee Share Based Employee Benefits) Regulations, 2014, the details of Employee Stock Option Scheme as on March 31, 2018 are furnished in Annexure "A" attached herewith and forms part of this report.

ii. Future Market Networks Limited - Employee Stock Option Scheme 2016

Pursuant to the approval granted by the shareholders at the eight Annual General Meeting held on September 20, 2016, your Company has formulated Future Market Networks Limited - Employee Stock Option Scheme 2016 (FMNL – ESOS 2016). The Scheme is in Compliance with SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time ("SEBI Employee Benefits Regulations").

The Company has not granted any options under this Scheme during the year under review.

The Statutory Auditors of the Company i.e. M/s. Viren Gandhi & Co., have certified that implementation of all the above ESOP Schemes/ Plan is in accordance with the erstwhile SEBI ESOP Guidelines, 1999, the SEBI (Share Based Employees Benefits) Regulations, 2014, as applicable and the resolutions passed by the Members at the respective General Meetings approving the ESOP Schemes/Plan.

Disclosures in respect of voting rights not directly exercised by employees

There are no shares held by trustees for the benefit of employees and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.

Matters related to Directors and Key Managerial Personnel

Directors

The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on the date of this report, the Board consists of 6 members, 3 of whom are Independent Directors including a Woman Director, 2 Non-Executive Directors and 1 Whole Time Director.

There was no change in the composition of Board of Directors apart from appointment of Mr. Pramod Arora, as the Whole-Time Director of the Company with effect from August 17, 2017. There is no other change in the Key Managerial Personnel during the year under review.

Re-appointment

In terms of the provisions of the Act and in terms of the Memorandum and Articles of Association of the Company, Mr. Sunil Biyani and Mr. Rajesh Kalyani retires by rotation. The said Directors has offered themselves for reappointment and resolution for their reappointment, is incorporated in the Notice of the ensuing Annual General Meeting.

Mr. Sunil Biyani was appointed as the Managing Director of the Company for a period of 5 years with effect from May 30, 2013 in terms of the resolutions passed by the members and accordingly his term was completed and ceased to be the Managing Director of the Company. However, Mr. Sunil Biyani shall continue to be on the Board of the Company as a Non-Executive Director liable to retire by rotation.

Ms. Udita Jhunjhunwala, was appointed as an Independent Director on the Board for a period of 3 (three) consecutive years for a term up to September 28, 2018. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director. She has also submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013. The said Director has offered herself for reappointment and resolution for her reappointment, is incorporated in the Notice of the ensuing Annual General Meeting.

Mr. Somayajulu Ayyanna Kodukula, was appointed as an Independent Director on the Board for a period of 3 (three) consecutive years for a term up to September 28, 2018. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director. He has also submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013. The said Director has offered himself for reappointment and resolution for his reappointment is incorporated in the Notice of the ensuing Annual General Meeting.

The brief resume and other information as required under Regulation 36 (3) of Listing Regulations relating to Mr. Sunil Biyani, Mr. Rajesh Kalyani, Ms. Udita Jhunjhunwala and Mr. Somayajulu Ayyanna Kodukula forms part of the Notice of ensuing Annual General Meeting. None of the Directors are disqualified for appointment / reappointment under Section 164 of the Act.

The Board recommends the appointment/reappointment for your approval.

Declarations by Independent Directors

Pursuant to the provisions of sub-section (7) of Section 149 of the Companies Act, 2013, the Company has received individual declarations from all the Independent Directors confirming that they fulfill the criteria of independence as specified in Section 149(6) of the Companies Act, 2013.

Subsidiaries and Associates

At the beginning of the year, there were 5 subsidiary companies and 3 Joint Ventures. During the year under review Gati Relators Private Limited became the Subsidiary of the Company. As on March 31, 2018 the Company has the following subsidiaries and joint ventures:

Sr. No.	Name of the Subsidiary	Name of the Joint Venture
1	Aashirwad Malls Private Limited	Future Retail Destination Limited
2	Suhani Mall Management Co. Pvt. Ltd	Riddhi Siddhi Mall Management Pvt Ltd
3	Future Trade Markets Private Limited	Utility Developers Private Limited
4	Star Shopping Centres Private Limited	
5	Sun City Properties Private Limited	
6	Gati Realtors Private Limited	

During the year, the Board of Directors reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013, consolidated financial statements of the Company were prepared, which forms part of this Annual Report. Further, a statement containing the salient features of the financial statement of our subsidiaries in the prescribed format AOC – 1 is appended as Annexure – B to the Board Report. The Statement also provides the details of performance and financial positions of each of the subsidiaries.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on our website, www.fmn.co.in. These documents will also be available for inspection till the date of AGM during business hours at the registered office of the Company at Mumbai.

Disclosures related to Board, Committees and Policies

Meetings of Board

The Board of Directors met Five (5) times during the financial year ended March 31, 2018 in accordance with the provisions of the Companies Act, 2013 and rules made there under. All the Directors actively participated in the meetings and provided their valuable inputs on the matters brought before the Board of Directors from time to time. Additionally, on January 30, 2018, the Independent Directors held a separate meeting in compliance with the requirements of Schedule IV of the Companies Act, 2013 and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The meeting details are provided in the Corporate Governance Report that forms part of this Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

Director's Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2018, the Board of Directors hereby confirms that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, wherever applicable;

b) such accounting policies have been selected and applied consistently and the Directors 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 as at March 31, 2018 and of the profits of the Company for the year ended on that date;

c) proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the annual accounts of the Company have been prepared on a going concern basis;

e) internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and operating effectively;

f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Nomination, Remuneration and Compensation Committee

A Nomination, Remuneration and Compensation Committee is in existence in accordance with the provisions of sub-section (1) of Section 178 of the Companies Act, 2013. Kindly refer section on Corporate Governance, which is forming part of this report, under head 'Nomination, Remuneration and Compensation Committee' for matters relating to constitution, meetings, functions of the Committee and the remuneration policy formulated by this Committee.

Audit Committee

The Audit Committee has been constituted and in existence in accordance with the provisions of Section 177 of the Companies Act, 2013. The Audit Committee comprises of Mr. Vijai Singh Dugar, Mr. Somayajulu Ayyanna Kodukula, Independent Directors and Mr. Rajesh Kalyani, Non-Executive Director. Five meetings of the Committee were held during the year. Kindly refer section on Corporate Governance, under head 'Audit Committee' for matters relating to constitution, meetings and functions of this Committee.

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board. There were no instances where the Board has not accepted any recommendation of the Audit Committee.

Details of Committees of the Board of Directors along with their terms of reference, composition and meetings held during the year under review, are provided separately in the Corporate Governance Report, which forms part of this Annual Report.

Vigil Mechanism

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Regulations, includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail or a letter to the Task Force or to the Chairman of the Audit Committee. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website viz. http://fmn.co.in/investor-relations/policies.html.

Detection of Fraud

No Fraud has been reported by the auditor's viz. statutory and internal auditors to the Audit Committee or the Board in terms of Section 143 (12) of the Act.

Risk Management

The Board of Directors of the Company has formulated a Risk Management Policy which aims at minimizing the risk and enhancing the value and reviews the elements of risks with regard to the business.

The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

Annual Evaluation of Directors, Committee and Board

The Nomination, Remuneration and Compensation Committee of the Board has formulated a Performance Evaluation Framework, under which the Committee has identified criteria upon which every Director, every Committee and the Board as a whole shall be evaluated. During the year under review the evaluation of every Director, every Committee and the Board had been carried out.

Board Evaluation

SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 mandates that the Board shall monitor and review the evaluation framework. The frame work includes the evaluation of directors on various parameters.

The Act states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Act, states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and frame work adopted by the Board. The evaluation process has been explained in the Corporate Governance report.

Particulars of Employees and other additional information

The ratio of the remuneration of each whole-time director and key managerial personal (KMP) to the median of employee's remuneration as per section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Board's Report under Annexure 'C'.

Additionally, statement containing the names of employees in terms of remuneration drawn as per the ceiling stipulated in terms of Rule 5 (2) (ii) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of Annexure 'C'.

Payment of remuneration / commission to executive directors from holding or subsidiary companies

Mr. Pramod Arora, Whole Time Director of the Company has been appointed as the Managing Director of Future Retail Destination Limited (FRDL), in which the Company holds 50% of the Equity Share Capital. A share purchase agreement is already entered with the Joint Venture Partner to acquire their holdings in FRDL by the Company.

Remuneration is paid to Mr. Pramod Arora from FRDL being its Managing Director and the aggregate remuneration payable from both the companies shall not exceed the overall remuneration as set out in the resolution approved by the Shareholders of the Company at any point of time.

Auditors and their Reports

The matters related to Auditors and their Reports are as under:

Observations of statutory auditors on financial statements for the year ended March 31, 2018

The auditor's report does not contain any qualification, reservation or adverse remark or disclaimer or modified opinion.

Statutory Auditors

M/s. Viren Gandhi & Co., Chartered Accountants (Firm Registration No. 111558W) have been appointed for a period of 3 (Three) years from the conclusion of the Eighth Annual General Meeting till the conclusion of the Eleventh Annual General Meeting of the Company subject to ratification by the Members in every Annual General Meeting.

In view of recent amendment in the Companies Act, 2013 ("the Act") which were notified with effect from May 07, 2018 by the Ministry of Corporate Affairs, the requirement of ratification of Auditors at every year has been removed and accordingly, there is no requirement of ratification of appointment of Auditors.

The Company has received a written confirmation from the Statutory Auditor that their continued appointment shall be in accordance with the criteria as provided under Section 141 of the Act.

Secretarial Auditor and Secretarial Audit Report

In terms of the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed Mr. Alwyn D'Souza of Alwyn D'Souza & Company, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year 2017-18. The Secretarial Audit Report for the financial year 2017-18 is annexed herewith as Annexure 'D' and forms part of this report. The report does not contain any qualification, reservation or adverse remark.

Management Discussion & Analysis

The Management Discussion and Analysis Report on the operations of the Company, as required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in a separate section and forms an integral part of this Report.

Internal Financial Controls

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of such controls.

Internal Control Systems

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place and have been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

Details about policy developed and implemented by the company on corporate social responsibility initiatives taken during the year

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company.

Disclosure of Orders passed by Regulators or Courts or Tribunal

No significant and material orders have been passed by any Regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future other than the Arbitration award passed by the Arbitrator, in the FY 2016-17 appointed by the Hon'ble High Court of Calcutta, in respect of disputes arose out of termination of a license agreement related to a shopping mall was awarded wherein a net amount of ₹ 12,90,52,379/- (Rupees Twelve Crores Ninety Lakhs Fifty Two Thousand Three Hundred Seventy Nine Only) to the Claimant after allowing certain counter claims of the Company.

However, the Company filed a petition under section 34 of Arbitration and Conciliation Act, 1996 challenging the arbitration award before the Hon'ble High Court, Calcutta. The Claimant also challenged the award by filing a petition under section 34. The matters are pending before the Hon'ble High Court, Calcutta.

Particulars of Contracts or Arrangement with Related Parties

All the transactions/contracts/arrangements of the nature as specified in Section 188(1) of the Companies Act, 2013 entered by the Company during the year under review with related party(ies) are being approved by the Audit Committee/Board which are in ordinary course of business and at arm's length. Further none of such transactions/contracts/ arrangements are material (i.e. satisfying the criteria provided in first proviso of section 188(1) of the Companies Act, 2013) in nature. Hence, no particulars in form AOC-2 are furnished.

Material related party transaction required to be approved by members of the Company pursuant to the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and transactions so identified shall be placed at the ensuing Annual General Meeting for your approval. The Board recommends the resolutions for your approval.

Kindly refer the financial statements for the material related party transactions during the year under review.

Extract of Annual Return

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended March 31, 2018 made under the provisions of Section 92(3) of the Act is attached as Annexure "E" attached herewith and which forms part of this Report.

A copy of the same is also placed at the website of the Company and shall be available at http://www.fmn.co.in/investor-relations/annual-reports.html

Declaration by Whole Time Director

As per Regulation 34 (3) read with Schedule V of the (Listing Obligations and Disclosure Requirements) Regulations, 2015, declaration stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management is enclosed as Annexure 'F'.

Certificate on Corporate Governance

As per Regulation 34 (3) read with Schedule V of the (Listing Obligations and Disclosure Requirements) Regulations, 2015, the auditor's certificate on corporate governance is enclosed as Annexure 'G' to the Board's report. The auditor's certificate for financial year 2017 does not contain any qualification, reservation or adverse remark.

Board diversity

The Company recognizes and embraces the importance of a diverse board in success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experiences, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website www.fmn.co.in.

Policy on Director's Appointment and Remuneration

The policy of the Company on director's appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Act, is available on our website at, www.fmn.co.in.

There has been no change in the policy since last fiscal. We affirm that the remuneration paid to directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

At the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities. The letter of appointments issued to independent directors is available on our website at www.fmn.co.in

Code of conduct for prevention of insider trading

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosure to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading is available on our website viz. www.fmn.co.in.

Listing on stock exchanges

The Company has entered into Listing Agreement with BSE Limited (BSE) and The National Stock Exchange of India Ltd. (NSE) in terms of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the listing fee for the year 2018-19 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.

Secretarial Standards:

The Company complies with all applicable secretarial standards.

Prevention of Sexual Harassment Policy

A Policy is in place viz Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. We follow a gender neutral approach in handling complaints of sexual harassment and we are compliant with law of the land. We have also constituted an internal committee to consider and address sexual harassment complaints in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year 2017-18, no complaints were received by the Company related to sexual harassment.

Unclaimed shares

In respect of unclaimed share certificates, the Company has already send two letters to concerned shareholders advising them to claim their share certificates. After completing the process, unclaimed shares, if any, will be transferred to "Unclaimed Suspense Account" as per the procedure laid down under Listing Regulations.

Service of documents through electronic means

Subject to the applicable provisions of the Companies Act, 2013, all documents, including the Notice and Annual Report shall be sent through electronic transmission in respect of members whose email IDs are registered in their demat account or are otherwise provided by the members. A member shall be entitled to request for physical copy of any such documents.

Conservation of energy, technology absorption and foreign exchange earnings and outgo:

The particulars, as prescribed under sub-section (3) (m) of Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, are enclosed as Annexure 'H' to the Board's Report.

Acknowledgement:

The Board appreciates and places on record the contribution made by the employees during the year under review. The Board also places on record their appreciation of the support of all stakeholders particularly share-holders, customers, bankers, suppliers and business partners.

Cautionary Note

The statements forming part of the Director's Report may contain certain forward looking remarks within the meaning of applicable securities laws and regulations. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements.

For and on behalf of Board of Directors

Vijai Singh Dugar
Chairman
DIN : 06463399

Pramod Arora
Whole Time Director
DIN : 02559344

Place: Mumbai
Date: July 31, 2018

ANNEXURE 'A' TO THE BOARD'S REPORT

Employee Stock Option Scheme

The below disclosure is in respect of "Future Market Networks Limited Employee Stock Option Scheme (ESOS) – 2012" in respect of the year ended March 31, 2018.

Sr. No	Particulars	"Future Market Networks Limited Employee Stock Option Scheme (ESOS) – 2012"
1)	Options granted during the year	Nil (PY: Nil)
2)	Pricing Formula	Not Applicable
3)	Options Vested	None (PY: 436875)
4)	Options exercised	None (PY: 120125)
5)	The total number of shares arising as a result of exercise of option.	None (PY: 120125)
6)	Options Lapsed	None (PY: Nil)
7)	Variations of terms of Options	None
8)	Money realized by exercise of options.	None
9)	Total number of Options in force	121125 (PY: 121125)
10)	Employee wise details of options granted to:	None
a)	Senior Managerial Personnel (Directors and Key Managerial Personnel)	
b)	Any other employee who receives a grant in any one year of options amounting to 5% or more of options granted during the year.	None
c)	Identified employees who were granted option during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversations) of the Company from the time of grant.	None
11)	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Indian Accounting Standard (Ind AS) 33 "Earning Per Share".	Refer Note No. 26 of Standalone.
12)	Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation that shall have been recognized if it had used the fair value of options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	Refer Note No. 26 and 29 of Standalone.
13)	Weighted average exercise prices and weighted average fir values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Refer Note No. 29 of Standalone.
14)	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted average information:	Refer Note No. 29 of Standalone.
i	Risk free interest rate;	7.45%
ii	Expected life;	2.5 Years
iii	Expected volatility;	70.70%
iv	Expected dividend; and	0.00%
v	The price of the underlying share in market at the time of option grant	23.95

Annexure 'B' to the Board's Report

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures.

(Information in respect of each subsidiary to be presented with amounts in ₹)

Sl. No.	Particulars	Subsidiary 1	Subsidiary 2	Subsidiary 3	Subsidiary 4	Subsidiary 5	Subsidiary 6
1	Name of the subsidiary	Aashirwad Malls Pvt. Ltd.	Suhani Mall Management Co. Pvt. Ltd	Future Trade Markets Pvt. Ltd.	Star Shopping Centres Pvt. Ltd.	Sun City Properties Pvt. Ltd.	Gati Realtors Pvt. Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-Mar-18	31-Mar-18	31-Mar-18	31-Mar-18	31-Mar-18	31-Mar-18
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA	NA	NA	NA
4	Share capital	1,000,000	9,823,010	6,580,300	250,000	20,600,000	108,625,000
5	Reserves & surplus	988,310	231,998,291	225,556,245	11,212,251	(1,943,844)	(145,145)
6	Total assets	5,081,810	750,402,558	239,077,250	77,490,844	77,098,611	111,276,533
7	Total Liabilities	3,093,500	508,581,260	5,918,270	66,028,593	58,442,455	2,796,678
8	Investments	-	177,208,344	185,905,820	-	-	-
9	Turnover	4,478,329	44,145,192	11,296,040	253,209,922	290,500	-
10	Profit /Loss before taxation	(2,599,671)	5,155,819	(262,637,070)	14,000,756	6,779	(87,484)
11	Provision for taxation / Deffered Tax	-	2,228,609	3,004,645	3,976,605	1,746	-
12	Profit after taxation	(2,599,671)	2,927,210	(265,641,715)	10,024,152	5,033	(87,484)
13	Proposed Dividend	-	-	-	-	-	-
14	% of shareholding	100.00%	86.26%	100.00%	60.00%	55.17%	100.00%

Names of subsidiaries which are yet to commence operations - Sun City Properties Private Limited

Names of subsidiaries which have been liquidated / sold / ceased during the year are as follows: Nil

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of associates/Joint Ventures	Future Retail Destination Ltd.	Utility Developers Pvt. Ltd.	Riddhi Siddhi Mall Management Pvt. Ltd.
1	Latest audited Balance Sheet Date	31-Mar-18	31-Mar-18	31-Mar-18
2	Shares of Associate/Joint Ventures held by the company on the year end			
	No.	15,000,000	25000	6,384
	Amount of Investment in Associates/ Joint Venture (₹)	150,000,000	250,000	162,977,636
	Extend of Holding%	50%	50%	50%
3	Description of how there is significant influence	In terms of Joint Venture Agreement	In terms of Joint Venture Agreement	In terms of Joint Venture Agreement
4	Reason why the associate/joint venture is not consolidated	-	-	-
5	Net worth attributable to shareholding as per latest audited Balance Sheet (₹)	293,173,415	67,587,749	606,451,293
6	Profit/Loss for the year (₹)	(190,670)	25,270,579	10,979,842
i.	Considered in Consolidation	-	12,635,290	5,489,921
ii	Not Considered in Consolidation	-	12,635,290	5,489,921

Names of associates or joint ventures which are yet to commence operations. - NIL

Names of associates or joint ventures which have been liquidated or sold during the year. - NIL

For and on behalf of Board of Directors

Place : Mumbai
Date : July 31, 2018

Vijai Singh Dugar
Chairman
DIN: 06463399

Pramod Arora
Whole Time Director
DIN: 02559344

Annexure 'C' to the Board's Report

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

i. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year, ratio of the remuneration of each Director to the Median Remuneration of the Employees (MRE) of the Company for the financial year 2017-18 are as under:

Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2017-18 (₹ in Lakhs) (1)	% increase in Remuneration in the financial year 2017-18 (2)	Ratio of Remuneration of each Director to MRE for financial year 2017-18 (3=(1)/MRE)
Mr. Sunil Biyani** Managing Director	-	-	-
Mr. Pramod Arora Whole Time Director	170.89	-	-
Mr. Rajesh Kalyani Non-Executive Director	-	-	-
Ms. Udita Jhunjhunwala Independent Director	-	-	-
Mr. Vijai Singh Dugar Independent Director	-	-	-
Mr. K.A. Somayajulu Independent Director	-	-	-
Mr. Anil Cherian Head - Legal & Company Secretary	35.73	8.00*	43.68
Mr. Pawan Agarwal Chief Financial Officer	47.01	8.00*	57.47

(Above excludes sitting fee, whosesoever applicable).

* Remuneration is compared on actual cost on a year to year basis.

** ceased to be Managing Director on May 29, 2018.

ii. The Median Remuneration of the Employees of the Company during the financial year 2017-18 under review is ₹ 81,793/- as compared to ₹ 50,410/- in the previous Financial Year 2016-17.

iii. The percentage increase in the median remuneration of employees in the financial year: 38%

iv. Number of permanent employees on the rolls of Company as on March 31, 2018: 18 (Eighteen).

v. Average percentage increase/decrease made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2017-18: 8.50 %.

vi. Percentage increase/ (decrease) in the managerial remuneration: 8 %

vii. Justification, including any exceptional circumstances, for increase in the managerial remuneration: N.A.

viii. The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5(2) and 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

i. Mr. Pramod Arora, Whole Time Director, of the Company was in receipt of remuneration throughout the financial year 2017-18 as stipulated in Rule 5 (2):

Sr. No.	Name of the Employee	Designation	Remuneration (₹ in Lakhs)	Nature of employment (whether contractual or otherwise)	Qualification	Experience (in years)	Date of Commencement of employment	Last employment	% of equity shares held as on 31/3/2018 (in case of holding 2% or more)
1.	Mr. Pramod Arora	Whole Time Director	170.89	Contractual	Bachelor's degree in Engineering	20	14/08/2017	F&B Asia Ventures (India) Pvt Ltd	Nil

Note: Mr. Pramod Arora is appointed as a Whole Time Director (WTD) w.e.f. August 14, 2017 and the remuneration details are for entire year. Prior to his appointment as WTD, he has acting as a Chief Executive Officer (CEO) of the Company.

ii. None of the employees directly or indirectly holds more than 2% of the equity shares of the Company.

For and on behalf of Board of Directors

Vijai Singh Dugar
Chairman
DIN: 06463399

Pramod Arora
Whole Time Director
DIN: 02559344

Place : Mumbai
Date : July 31, 2018

Annexure 'D' to the Board's Report

FORM NO. MR.3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Future Market Networks Limited,
Knowledge House, Shyam Nagar,
Off: Jogeshwari – Vikhroli Link Road,
Jogeshwari (East), Mumbai – 400 060
Maharashtra, India

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **Future Market Networks Limited** (CIN:L45400MH2008PLC179914) (hereinafter called "the Company").

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances for the purpose of expressing our opinion thereon.

Based on our verification of the Company's statutory books, legal papers, minute books, forms and returns filed and other records maintained by the Company, and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the above mentioned books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 and made available to us, according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder to the extent applicable;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment including FEMA (Acquisition and Transfer of Immovable Property in India) Regulations, 2000 (and External Commercial Borrowings, **as applicable**;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

(vi) Other specific business/industry related laws applicable to the Company- The Company has complied with the provisions of the various State wise Act, Rules and Regulations in connection with Real Estate Development, Contract Labour, Labour welfare, Plastic Carry Bags, Tax on Professions, Trades, Callings And Employments, Goods and Service Tax, other applicable Taxes, Sexual Harassment of Women at Workplace, Environment Protection, E-Waste, Shops and Establishments, Apartment Ownership, Provident Fund, Superannuation Fund etc., The Trade Marks Act, 1999, Registration Act,1908, Indian Stamp Act, 1899, Transfer of Property Act, 1882 and other applicable general business laws, rules, regulations and guidelines.

We have also examined compliance with the applicable clauses of:

(i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India; and

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that, there were no events/actions in pursuance of:

a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; requiring compliance thereof by the Company during the Audit period.

During the year under review, the Company has complied with the provisions of the above mentioned Act, Rules, Regulations, Guidelines and Standards etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. No changes in the composition of the Board of Directors took place during the financial year under report other than appointment of Mr. Pramod Arora as a whole-time director of the Company for a period of three years with effect from August 14, 2017.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meeting of the Board of Directors or Committees of the Board, as the case may be.

None of the members have communicated dissenting views, in the matters / agenda proposed from time to time for consideration of the Board and its Committees thereof, during the year under the report, hence were not required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the Company has responded appropriately to communication received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the year under report, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc other than as stated herein below:

(a) The Company has filed a suit before the Hon'ble High Court at Mumbai in respect of Shopping Mall considering long standing dispute amongst the parties and also claimed damages for ₹ 107,46,43,094/-. On December 8, 2017, the matter was settled by and between the parties and consent terms were filed before the Hon'ble High Court, Mumbai. However, some of the gala owners of OCC mall intervened and made an application to join as a party in this commercial suit. Therefore, the matter is still pending before the Hon'ble High Court of Bombay.

(b) Approval of the Board of Directors of the Company was obtained at its meeting held on January 30, 2018 in connection with the Scheme of Merger by Absorption of Star Shopping Centres Private Limited (Transferor Company) by Future Market Networks Limited (Transferee Company) in accordance with the provisions of Section 230 to 232 of the Companies Act, 2013. The Company application is pending before National Company Law Tribunal, Mumbai Bench.

Place : Mumbai
Date : 16/07/2018

Alwyn D'Souza & Co.
Company Secretaries

Office Address :

Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

Alwyn D'Souza, FCS.5559
[Proprietor]
[Certificate of Practice No.5137]

Annexure 'E' to the Board's Report
FORM NO. MGT – 9
EXTRACT OF ANNUAL RETURN

as on the financial year ended March 31, 2018

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details

CIN	L45400MH2008PLC179914
Registration Date	March 10, 2008
Name of the Company	Future Market Networks Limited
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details.	Knowledge House, Shyam Nagar, Off. Jogeshwari – Vikhroli Link Road, Jogeshwari East, Mumbai -400060 Tel. No: 022-61994487 Fax: 022-61995269
Whether Listed Company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083 Tel. No.: 022-49186270 Fax No.: 022-49186060

II. Principal Activities of the Company

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
Rent / Management of immovable Properties	681	94.23

III. Particulars of Holding, Subsidiary and Associate Companies

Name and address of the Company	Corporate Identity Number	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
Riddhi Siddhi Mall Management Private Limited Knowledge House, Shyam Nagar, Off. Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai - 400060	U70102MH2006PTC161884	Associate	50	2 (6)
Future Retail Destination Limited Knowledge House, Shyam Nagar, Off. Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai - 400060	U51909MH2008PLC181060	Associate	50	2 (6)
Suhani Mall Management Company Private Limited Knowledge House, Shyam Nagar, Off. Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai - 400060	U45200MH2005PTC156837	Subsidiary	86.27	2 (87)
Future Trade Markets Private Limited Knowledge House, Shyam Nagar, Off. Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai - 400060	U45400MH2011PTC224924	Subsidiary	100	2 (87)
Aashirwad Malls Private Limited Ahmedabad City Mall, Opp. Arya Samaj Mandir, Raipur -Kankaria Road, Raipur, Ahmedabad, Gujarat- 380022	U70101GJ2004PTC045030	Subsidiary	100	2 (87)
Utility Developers Private Limited 48,Todarmal Road, Bengali Market, New Delhi, Delhi -110001	U70109DL2006PTC152581	Associate	50	2 (6)
Star Shopping Centres Private Limited Knowledge House, Shyam Nagar, Off. Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai - 400060	U51101DL2008PTC184935	Subsidiary	60	2 (87)

Name and address of the Company	Corporate Identity Number	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
Sun City Properties Private Limited 16A, Brabourne Road 9th Floor Kolkata, West Bengal 700001	U70109WB1998PTC087521	Subsidiary	55.17	2 (87)
Gati Realtors Private Limited 5th Floor, Future Group Office, SOBO Central Mall, 28,Pt. Madan Mohan Malviya Road,Nr Haji Ali, Tardeo, Mumbai - 400034	U45203MH2013PTC248056	Subsidiary	100	2 (87)
Suhani Trading and Investment Consultants Private Limited Knowledge House, Shyam Nagar, Off. Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai - 400060	U74140MH2007PTC175603	Holding	73.06	2 (46)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. **Promoters**									
1) **Indian**									
a) Individual / HUF	541	--	541	--	541	--	541	--	--
b) Central Govt.	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corporate	40939685	--	40939685	72.73	41182869	--	41182869	73.16	0.43
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any Other	--	--	--	--	--	--	--	--	--
Sub Total (A)(1)	**40940226**	--	**40940226**	**72.73**	**41183410**	--	**41183410**	**73.16**	**0.43**
2) **Foreign**	--	--	--	--	--	--	--	--	--
a) NRI's- Individuals	--	--	--	--	--	--	--	--	--
b) Other – Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corporate	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any Other	--	--	--	--	--	--	--	--	--
Sub Total (A)(2)	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	**40940226**	--	**40940226**	**72.73**	**41183410**	--	**41183410**	**73.16**	**0.43**
B. **Public Shareholding**									
1) **Institutions**									
a) Mutual Funds / UTI	4527	--	4527	0.01	4527	--	4527	0.01	--
b) Banks / FI	260452	--	260452	0.46	260452	--	260452	0.46	--
c) Central Govt.	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	31184	--	31184	0.06	31184	--	31184	0.06	--
g) FII's	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)									
j) Foreign Portfolio Investors	17291	--	17291	0.03	17040	--	17040	0.03	--
Sub-Total (B) (1)	**313454**	--	**313454**	**0.56**	**313203**	--	**313203**	**0.56**	--
2) **Non - Institutions**									
a) Bodies Corporate i. Indian ii. Overseas	9836949	197	9837146	17.48	9125435	197	9125632	16.21	-1.27
b) Individuals									
i. Individual shareholders holding nominal share capital upto ₹ 1 lakh	1494090	63175	1557265	2.77	1661431	62411	1723842	3.06	0.29
ii. Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	3068062	--	3068062	5.45	3493954	--	3493954	6.21	0.76

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)									
i. Non-Resident Indian (Repat)	20182	110	20292	0.04	31131	110	31241	0.06	0.02
ii. Non-Resident Indian (Non-Repat)	13316	--	13316	0.02	13156	--	13156	0.02	--
iii. Clearing Member	171361	--	171361	0.30	282493	--	282493	0.50	0.20
iv. Directors & Relative	200000	--	200000	0.36	41025	--	41025	0.07	-0.29
v. Trusts	23	--	23	0.00	23	--	23	0.00	--
vi. Hindu Undivided Family	170136	--	170136	0.30	83302	--	83302	0.15	-0.15
Sub-Total (B) (2)	**14974119**	**63482**	**15037601**	**26.71**	**14731950**	**62718**	**14794668**	**26.28**	**-0.43**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**15287573**	**63482**	**15351055**	**27.27**	**15045153**	**62718**	**15107871**	**26.84**	**-0.43**
C. Shares held by Custodian for GDRs & ADRs	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
Grant Total (A+B+C)	**56227799**	**63482**	**56291281**	**100.00**	**56228563**	**62718**	**56291281**	**100.00**	**--**

ii. Shareholding of Promoters

Name of Shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in Shareholding during the year
	Number of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	Number of Shares	% of Total Shares of the Company	% of Shares Pledged / Encumbered to total shares	
PIL Industries Limited	715214	1.27	0.00	0	0.00	0.00	See Notes below.
Weavette Business Ventures Limited	8563367	15.21	15.19	0	0.00	0.00	
Future Corporate Resources Limited	15176754	26.96	26.82	0	0.00	0.00	
Manz Retail Private Limited	16430824	29.19	16.57	0	0.00	0.00	
Aaradhak Commercial Ventures Private Limited	53526	0.09	0.00	0	0.00	0.00	
Suhani Trading And Investment Consultants Pvt. Ltd.	0	0.00	0.00	41129343	73.06	60.49	
Surplus Finvest Private Limited	0	0.00	0.00	53526	0.10	0.00	
Vijay Biyani	50	0.00	0.00	50	0.00	0.00	-
Anil Biyani	50	0.00	0.00	50	0.00	0.00	-
Sunil Biyani	50	0.00	0.00	50	0.00	0.00	-
Vivek Biyani	50	0.00	0.00	50	0.00	0.00	-
Laxminarayan Biyani	50	0.00	0.00	50	0.00	0.00	-
Gopikishan Biyani	50	0.00	0.00	50	0.00	0.00	-
Ashni Kishore Biyani	141	0.00	0.00	141	0.00	0.00	-
Kishore Biyani	50	0.00	0.00	50	0.00	0.00	-
Rakesh Biyani	50	0.00	0.00	50	0.00	0.00	-
Total	**40940226**	**72.73**	**58.58**	**41183410**	**73.16**	**60.49**	

Note:

- PIL Industries Limited (Promoter) acquired 243184 equity shares during the period from June 22, 2017 to July 19, 2017.
- Pursuant to the scheme of amalgamation of Manz Retail Private Limited, ESES Commercials Private Limited, PIL Industries Limited, Future Corporate Resources Limited, Gargi Business Ventures Private Limited, Weavette Business Ventures Limited (transferor companies) with Suhani Trading and Investment Consultants Private Limited and their respective shareholders sanctioned by the National Company Law Tribunal, Mumbai Bench vide order dated October 18, 2017 and filed with ROC on November 14, 2017, the shares held by transferor companies in Future Market Networks Ltd now vest with Suhani Trading and Investment Consultants Private Limited.
- Pursuant to the scheme of amalgamation of Aaradhak Commercial Ventures Private Limited with Pee Dee Retail Assets Private Limited and amalgamation of Pee Dee Retail Assets Private Limited with Surplus Finvest Private Limited and their respective shareholders sanctioned by the National Company Law Tribunal, Mumbai Bench vide order dated January 22, 2018 and filed with ROC on March 13, 2018, the shares held by Aaradhak Commercial Ventures Private Limited in Future Market Networks Ltd now vest with Surplus Finvest Private Limited.

iii. Changes in Promoters Shareholding (Please specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Number of Shares	% of total shares of the Company	Number of Shares	% of total shares of the Company
At the beginning of the year	40940226	72.73	40940226	72.73
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	243184*	0.43	41183410	73.16
At the end of the year	41183410	73.16		

* PIL Industries Limited (Promoter) acquired 243184 equity shares as follows:

21787 – Purchased on 22/06/2017

20377 – Purchased on 23/06/2017

14201 – Purchased on 27/06/2017

15750 – Purchased on 28/06/2017

21051 – Purchased on 29/06/2017

31355 – Purchased on 30/06/2017

25056 – Purchased on 06/07/2017

19706 – Purchased on 07/07/2017

3901 – Purchased on 10/07/2017

20000 – Purchased on 12/07/2017

25000 – Purchased on 14/07/2017

20000 – Purchased on 18/07/2017

5000 – Purchased on 19/07/2017

* Pursuant to the scheme of amalgamation of Manz Retail Private Limited, ESES Commercials Private Limited, PIL Industries Limited, Future Corporate Resources Limited, Gargi Business Ventures Private Limited, Weavette Business Ventures Limited (Transferor Companies) with Suhani Trading and Investment Consultants Private Limited and their respective shareholders sanctioned by the National Company Law Tribunal, Mumbai Bench vide order dated October 18, 2017 and filed with ROC on November 14, 2017, the shares held by transferor companies in Future Market Networks Ltd now vest with Suhani Trading and Investment Consultants Private Limited.

iv. Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1. Ishbhoomi Mall Management Private Limited	4615516	8.20	4615516	8.20
2. Genil Commotrade Private Limited	2700000	4.80	2700000	4.80
3. Kapil Narendra Gupta	2090000	3.71	2090000	3.71
4. Mohini Resources Private Limited	127261	0.23	450000	0.80
5. Payal Commercial Company Limited	459713	0.82	447150	0.79
6. Anika Merchants And Traders Private Limited	292541	0.52	304169	0.54
7. Life Insurance Corporation of India	260447	0.46	260447	0.46
8. Misbah Jan.	172000	0.31	172000	0.31
9. Punyah Business Ventures Private Limited	283720	0.50	167650	0.30
10. Ashok Kumar Todi	0	0.00	139608	0.25

v. **Shareholding of Directors and Key Managerial Personnel**

Each of the Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
Mr. Sunil Biyani				
At the beginning of the year	50	0.00	50	0.00
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	-	-	-	-
At the end of the year	**50**	**0.00**	**50**	**0.00**

Each of the Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
Mr. Rajesh Kalyani				
At the beginning of the year	2,00,000	0.27	2,00,000	0.27
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	-50,000 (sale of shares on 24/08/2017)	0.09	1,50,000	0.27
	-7,350 (sale of shares on 29/08/2017)	0.01	1,42,650	0.25
	-6,200 (sale of shares on 30/08/2017)	0.01	1,36,450	0.24
	-6,000 (sale of shares on 31/08/2017)	0.01	1,30,450	0.23
	-6,000 (sale of shares on 01/09/2017)	0.01	1,24,450	0.22
	-6,000 (sale of shares on 04/09/2017)	0.01	1,18,450	0.21
	-10,700 (sale of shares on 05/09/2017)	0.02	1,07,750	0.19
	-6,000 (sale of shares on 06/09/2017)	0.01	1,01,750	0.18
	-6,000 (sale of shares on 07/09/2017)	0.01	95,750	0.17
	-6,000 (sale of shares on 08/09/2017)	0.01	89,750	0.16
	-3,000 (sale of shares on 12/09/2017)	0.00	86,750	0.15
	-6,000 (sale of shares on 13/09/2017)	0.01	80,750	0.14
	-6,000 (sale of shares on 14/09/2017)	0.01	74,750	0.13
	-1,605 (sale of shares on 15/09/2017)	0.00	73,145	0.13
	-3,000 (sale of shares on 18/09/2017)	0.00	70,145	0.12
	-6,000 (sale of shares on 19/09/2017)	0.01	64,145	0.11
	-6,000 (sale of shares on 21/09/2017)	0.01	58,145	0.10
	-3,274 (sale of shares on 22/09/2017)	0.00	54,871	0.10
	-3,971 (sale of shares on 25/09/2017)	0.01	50,900	0.09
	-900 (sale of shares on 27/09/2017)	0.00	50,000	0.09
	-3,500 (sale of shares on 19/02/2018)	0.00	46,500	0.08
	-1,660 (sale of shares on 20/02/2018)	0.00	44,840	0.08
	-1,000 (sale of shares on 22/02/2018)	0.00	43,840	0.08
	-2,815 (sale of shares on 23/02/2018)	0.00	41,025	0.07
At the end of the year			**41,025**	**0.07**

None of the Directors of the Company holds any shares other than what is specifically disclosed herein above.

Each of the KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
Mr. Anil Cherian, Head: Legal & Company Secretary				
At the beginning of the year	20,000	0.03	20,000	0.03
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	- 4,500 (sale of shares on 24/08/2017)	0.00	15,500	0.03
	-1000 (sale of shares on 29/08/2017)	0.00	14,500	0.03
	-1000 (sale of shares on 30/08/2017)	0.00	13,500	0.02
	-1000 (sale of shares on 01/09/2017)	0.00	12,500	0.02
At the end of the year			**12,500**	**0.02**

Each of the KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
Mr. Pawan Agarwal, Chief Financial Officer				
At the beginning of the year	20,500	0.04	20,500	0.04
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	500 (bought shares on 12/04/2017)	0.00	21,000	0.04
	500 (bought shares on 19/04/2017)	0.00	21,500	0.04
	-1,500 (sale of shares on 23/08/2017)	0.00	20,000	0.04
	-2,500 (sale of shares on 24/08/2017)	0.00	17,500	0.03
	-1000 (sale of shares on 28/08/2017)	0.00	16,500	0.03
	-1000 (sale of shares on 29/08/2017)	0.00	15,500	0.03
	-500 (sale of shares on 31/08/2017)	0.00	15,000	0.03
	-3100 (sale of shares on 04/09/2017)	0.00	11,900	0.02
	-900 (sale of shares on 06/09/2017)	0.00	11,000	0.02
	69 (bought shares on 23/10/2017)	0.00	11,069	0.02
	500 (bought shares on 23/10/2017)	0.00	11,569	0.02
	500 (bought shares on 24/10/2017)	0.00	12,069	0.02
	-500 (sale of shares on 31/10/2017)	0.00	11,569	0.02
	-500 (sale of shares on 16/03/2018)	0.00	11,069	0.02
At the end of the year			**11,069**	**0.02**

None of the Key Managerial Personnels holds any shares other than what is specifically disclosed herein above.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment: **(₹ in Crores)**

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	159.14	191.14	-	350.28
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	**159.14**	**191.14**	**-**	**350.28**
Change in Indebtedness during the financial year				
i. Addition	-	214.32		214.32
ii. Reduction	(81.10)	(228.81)	-	(309.91)
Net Change	**(81.10)**	**(14.49)**	**-**	**(95.59)**
Indebtedness at the end of the financial year				
i. Principal Amount	78.04	176.65	-	254.69
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	**78.04**	**176.65**	**-**	**254.69**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: **(₹ in Lakhs)**

S.No	Particulars of Remuneration	Mr. Sunil Biyani* Managing Director	Mr. Pramod Arora** Whole Time Director	Total Amount
1.	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	Nil	170.89	170.89
	b) Value of perquisites under Section 17(2) Income Tax Act, 1961	Nil	-	-
	c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	Nil	-	-
2.	Stock Options	Nil	-	-
3.	Sweat Equity	Nil	-	-
4.	Commission			
	- as % of profit	Nil	-	-
	- as others specify	Nil	-	-
5.	Others , Please specify	Nil	-	-
	Total A	Nil	**170.89**	**170.89**

*ceased to be Managing Director on May 29, 2018.

**Mr. Pramod Arora is appointed as a Whole Time Director w.e.f. August 14, 2017 and the remuneration detail are for entire year.

B. Remuneration to other Directors: **(in ₹)**

S. No	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	**Mr. K.A. Somayajulu**	**Mr. Vijai Singh Dugar**	**Ms. Udita Jhunjhunwala**	
	• Fee for attending board / committee meetings	3,60,000	3,50,000	1,15,000	8,25,000
	• Commission	Nil	Nil	Nil	Nil
	• Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	3,60,000	3,50,000	1,15,000	8,25,000
2.	Other Non- Executive Directors	**Mr. Rajesh Kalyani**			
	• Fee for attending board / committee meetings	2,80,000			2,80,000
	• Commission	Nil			Nil
	• Others, please specify	Nil			Nil
	Total (2)	2,80,000			2,80,000
	Total (B) = (1+2)				**11,05,000**
	Total Managerial Remuneration				**11,05,000**
	Overall ceiling as per the Act	Sitting Fees is paid within the limit specified under the Companies Act, 2013			

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD:

(₹ in lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	
		Mr. Anil Cherian	Mr. Pawan Agarwal
1.	Gross salary		
	a. Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	35.62	46.90
	b. Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.11	0.11
	c. Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-
2.	Stock Option (No. of Equity Shares)	-	-
3.	Sweat Equity	-	-
4.	Commission as % of profit	-	-
5.	Others, Allowances	-	-
	Total	**35.73**	**47.01**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2018.

Annexure 'F' to the Board's Report

Declaration by Whole Time Director

To

The Members Future Market Networks Limited

Sub: Declaration regarding compliance with the Company's Code of Conduct for Directors and Employees

Ref: Regulation 34 (3) read with Part D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I, Pramod Arora, Whole Time Director of Future Market Networks Limited, hereby declare that all the members of the Board of Directors and Senior Management have affirmed compliances with the Code of Conduct for Directors and Employees of the Company.

For Future Market Networks Limited

Sd/-
Pramod Arora
Whole Time Director
DIN: 02559344

Place : Mumbai
Date : July 31, 2018

Annexure 'G' to the Board's Report

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNENCE

To

The Members Future Market Networks Limited

We have examined the compliance of conditions of corporate governance by Future Market Networks Limited ("the Company"), for the year ended March 31, 2018, as prescribed in Regulation 17 to 27, 46 (2) (b) to (i) and para C, D, and E of Schedule V of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations")

The compliance conditions of corporate governance are the responsibility of the management. Our examinations was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations. 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, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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

For and on behalf of
Viren Gandhi & Co
Firm Registration No: 111558W
Chartered Accountants

Chintan Gandhi
Partner
Membership No: 137079

Place: Mumbai
Date: July 31, 2018

Annexure 'H' to the Board's Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134 (3) (m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

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

Research and Development (R & D):

1. Specific areas in which R&D is carried out by the Company: 2. Benefits derived as a result of the above R & D 3. Future Plan of Action	Designing of Shopping malls and large scale ware houses as per the best industry standards are the areas in which general research and development work is carried out by the Company.
4. **Expenditure on R & D** a. Capital b. Recurring c. Total d. Total R & D expenditure as a percentage of total turnover	Included in the project cost.

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

(₹ in lakhs)

	Current Year	Previous Year
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

Management Discussion & Analysis

Economic review

Global economy

Economic activity seems to be strong, driven by trade growth, easy monetary policies, and positive consumer sentiment. Amid moderating international trade and tightening global financing conditions, growth in emerging market and developing economies (EMDEs) is projected to plateau, reaching 4.7 percent in 2019 and 2020, up from 4.5 percent in 2018.

The improved global economic situation provides an opportunity for countries to focus policies towards longer term issues such as low carbon economic growth, reducing inequalities, economic diversification and eliminating deep rooted barriers that hinder development.

In EMDEs, growth in commodity importers is expected to remain robust, while the rebound in commodity exporters is projected to mature. Risks to the outlook are tilted to the downside, including the possibility of disorderly financial market movements, escalating trade protectionism, heightened policy uncertainty and rising geopolitical tensions.

Indian economy

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19.

The Govt of India made a provision in its current budget, a total of ₹ 14.34 lakh crore (US$ 225.43 billion) to be spent for creation of livelihood and infrastructure in rural areas. Budgetary allocation for infrastructure is set at ₹ 5.97 lakh crore (US$ 93.85 billion) for 2018-19. All-time high allocations have been made to the rail and road sectors.

India has retained its position as the third largest startup base in the world with over 4,750 technology startups, with about 1,400 new start-ups being founded in 2016, according to a report by NASSCOM.

India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute. India's gross domestic product (GDP) is expected to reach US$ 6 trillion by FY27.

Real estate Industry

The real estate sector is one of the most globally recognized sectors while considering economic development. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade. The real estate sector comprises four sub sectors - housing, retail, hospitality and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

The Indian real estate market is expected to touch US$ 180 billion by 2020. Housing sector is expected to contribute around 11 per cent to India's GDP by 2020. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

New housing launches across top seven cities in India increased 27 per cent year-on-year in January -March 2018.

Sectors such as IT and ITeS, retail, consulting and e-commerce have registered high demand for office space in recent times. Office space demand in the country increased 23 per cent year-on-year in January-March 2018 with office space absorption at 11.4 million square feet during the quarter. Private equity inflows in office and IT/ITES real estate have grown 150 per cent between 2014 and 2017 backed by a strong attraction towards office sector.

Warehousing

The Company is carefully keeping its focus to set up large scale non agro warehouses at strategic locations. Logistics and warehousing plays an indispensable role in the transportation of goods across the country. India's warehousing requirement is expected to grow at an annual average rate of 9% to 1,439 million sq. ft in 2019 from 919 million sq. ft in 2014 and the government's renewed focus on incentivizing the manufacturing sector is key to the growth of warehousing, adding that the logistics market will reap the benefits of this growth in coming years. The whiff of such a mammoth opportunity has attracted global pioneers in warehousing expertise to Indian shores.

Strong and sustained demand levels amid limited availability of good quality warehouses for immediate possession led to rental value appreciation across select micro-markets. Considering the huge potentials in this sector, the Company resolved to revive its warehousing projects and now planning to set up a facility aggregating to 1.5 million sq ft at Jhajjar and Nagpur.

Retail infrastructure

The Company is contemplating to strengthen its portfolio in managing shopping cum entertainment centers at various locations on long term lease model. This will help the Company to create assets on capital light model. The Company has aligned this business with Star Shopping Centres Private Limited (SSCPL), in which the Company holds 60% equity capital and to consolidate and achieve scale of operations, a scheme of merger is underway to merge SSCPL with the Company. The scheme is expected to strengthen the financials of the Company at standalone basis and also improve operational efficiency.

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.

Rental realizations

The rental realizations on the space leased depends upon the project location, design, tenant mix (this is relevant in the case of shopping malls), prevailing economic conditions and competition. Your Company has set up its retail property in prime location and maintains a fresh ambience resulting in crowd pull and attracting first time kind of retailers.

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.

Financing costs

The acquisition of land and development rights needs substantial capital outflow. Inadequate funding resources and high interest costs may impact regular business and operations.

Your Company has always tried to build sufficient reserves resulting out of operating cash flows to take advantage of any land acquisition or development opportunity.

Outlook

Post implementation of The Real Estate (Regulation and Development) Act, 2016 (RERA), developers are focusing firmly on selling their existing ready inventory and finishing their near completion projects rather than launching new projects. With several smaller realty developers interested in either monetizing their land parcels on outright basis or entering into joint development or development management agreements, your Company believes that RERA shall result in a consolidation in the sector.

Financial Performance

Total Income: The Company achieved total revenue of ₹ 11437.69 Lakhs during the financial year ended March 31, 2018.

Operating Profit: During the year financial year ended March 31, 2018, the Company achieved operating profit of ₹ 3,033.50 Lakhs.

Profit/Loss after Tax: The Company recorded Profit of ₹ 180.28 Lakhs for financial year ended March 31, 2018.

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 March 31, 2018 stood at 18.

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.

CORPORATE GOVERNANCE FOR THE YEAR ENDED MARCH 31, 2018

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2018, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("The Listing Regulations").

I. Company's Philosophy on Code of Corporate Governance

The Company's philosophy on corporate governance is to achieve business excellence and to create long term value for its stakeholders. The Company has set of systems and practices to ensure that the affairs of the Company envisages adherence to the highest levels of integrity, fairness, equity, transparency, accountability and commitment to values. The Company continues to focus on good Corporate Governance, in line with the best practices in the areas of Corporate Governance.

Your Company believes that sustainable and long-term growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavor to achieve excellence in business along with active participation in the growth of society, building of environmental balances and significant contribution in economic growth.

Board 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.

Actions and decisions of the Board are aligned in the best interest of the Company. The Board critically evaluates, Company's strategic decisions, management policies and its effectiveness. The Board regularly reviews related party transactions, financial statements and evaluates performance of the business operations.

The Company not only adheres to the prescribed corporate governances practices as per Listing Regulations but has also undertaken several initiatives towards maintaining the highest standards of Governance and these include:

- **Appropriate Governance Structure with defined roles and responsibilities**

  The Company has put in place an integral governance structure with defined roles and responsibilities of every constituent of the system. The Board has established five Committees to discharge its responsibilities in an effective manner. The Company Secretary of the Company acts as the Secretary to all the Committee of the Board.

- **Ethics / Governance Polices**

  The Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. In this direction, the Company has, inter-alia, adopted the following codes and policies which act as enablers to carry out our duties in an ethical manner:

  - Code of Conduct for the Board of Directors and the Senior Management Personnel
  - Code of internal procedures and conduct for regulating, monitoring and reporting of trading by insiders
  - Vigil Mechanism and Whistle – Blower Policy
  - Policy on Related Party Transaction
  - Code of practices and procedures code of Practices and Procedures for fair disclosure of for Fair Disclosure of Unpublished Price Sensitive Information
  - Policy on Preservation of Documents
  - Policy on Determination and Disclosure of Materiality of Events and Information and Web archival Policy.
  - Policy for Selection of Directors and determining Directors Independence.

- **Audits and internal checks**

  The Company's accounts are audited by Messrs Viren Gandhi & Co., Chartered Accountants, Mumbai. With respect to Internal Audit, an external firm acting as independent internal auditor reviews internal controls and operating systems and procedures. With respect to Legal Compliances, the Company conducts its business with high standards of legal, statutory and regulatory compliances.

- **Management initiatives for Internal Controls**

  The Company has robust internal control systems, including internal financial controls with reference to financial statements, commensurate with its nature of business. These controls have been documented and digitalized in the business process interms of IFC and are regularly tested for design and operating effectiveness.

- **Corporate Governance practices**

  It is the Company's constant endeavor to adopt the best Corporate Governance practices which include the following:

  - All securities related filings with Stock Exchanges and SEBI are reviewed every quarter by the Board.
  - The Company's internal audit is conducted by an external firm acting as independent auditors.
  - The Company also undergoes secretarial audit conducted by an independent company secretary in whole-time practice. The secretarial audit reports and report on internal financial control are placed before the Board.

- **Shareholder's communications**

  The Board recognizes the importance of two-way communication with shareholders and giving a balanced report of results and progress and responding to questions and issues raised in a timely and consistent manner. Shareholders seeking information related to their shareholding may contact the Company directly or through any of the Investor Service Centre of the Company's Share Transfer Agent. The Company ensures that complaints and suggestions of its shareholders are responded to in a timely and consistent manner.

- **Role of the Company Secretary in overall governance process**

  The Company Secretary plays a key role in ensuring that the Board (including Committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

- **Observance of Secretarial Standards issued by the Institute of Company Secretaries of India**

  The Secretarial Standards on the Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), one of India's premier professional bodies, are adhered to by the Company.

II. Board Composition

Composition and category of Directors

Your Company has the combination of Executive and Non-Executive Directors in conformity with Regulation 17 of the Listing Regulations.

During the year under review, Mr. Pramod Arora has been appointed as the Whole-Time Director of the Company. As on the date of this report the Board comprise of 6 Directors out of which one is a Whole Time Director, three independent Directors including a Woman Director and two Non – Executive Directors, which are in line with the requirements of the Companies Act, 2013 and the Listing Regulations. The tenure of Mr. Sunil Biyani, as a Managing Director of the Company ceased on May 29, 2018 and he continues to be a Non-Executive Director on the Board liable to retire by rotation. Your Directors have rich and varied experience in fields of business management, banking and finance, project management, risk management, real estate, corporate governance and bring in extensive knowledge and expertise to the Board. Board provides strategic guidance to the company and ensures effective monitoring of the management and corporate governance practices.

As per the declarations received by the Company from each of the Directors, none of them are disqualified under Section 164(2) of the Companies Act, 2013.

The Independent Directors of the Company are in compliance with the provisions of Regulation 16(1)(b) of the Listing Regulations. Further, disclosures have been made by the Directors regarding their Chairmanships/ Memberships of the mandatory Committees of the Board and that the same are within the maximum permissible limit as stipulated under Regulation 26(1) of the Listing Regulations.

The Composition of the Board as on March 31, 2018 and other relevant details are as under:

Sr. no.	Name of the Director	DIN	Category
1.	Mr. Vijai Singh Dugar	06463399	Non- Executive Chairman and Independent Director
2.	Ms. Udita Jhunjhunwala	00120951	Independent Director
3.	Mr. Somayajulu Ayyanna Kodukula	02535927	Independent Director
4.	Mr. Sunil Biyani	00006583	Non-Executive Director
5.	Mr. Rajesh R. Kalyani	00220632	Non-Executive Director
6.	Mr. Pramod Arora	02559344	Whole Time Director

Note:

i. Mr. Promod Arora was appointed as a Whole Time Director w.e.f August 14, 2017 for a period 3 years.

ii. The tenure of Mr. Sunil Biyani, as a Managing Director of the Company ceased on May 29, 2018 and he continues to be a Non-Executive Director on the Board.

No Director is *inter-se,* related to any other Director on the Board nor is related to the other Key Managerial Personnel of the Company.

Chairman of the Board

The Company has appointed Mr. Vijai Singh Dugar, Non-Executive and Independent Director as the Chairman of the Board.

Responsibilities of the Chairman and Whole Time Director

The Chairman is responsible for fostering and promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long – term benefit of the Company and all its stakeholders. The Chairman is primarily responsible for ensuring that the Board provides effective governance to the Company. In doing so, the Chairman presides over meetings of the Board and of the shareholders of the Company.

The Chairman takes a lead role in managing the Board and facilitating effective communication among directors. The Chairman provides independent leadership to the Board, identifies guidelines for the conduct and performance of directors, and oversees the management of the Board's administrative activities such as meetings, schedules, agendas, communication and documentation.

The Chairman will provide independent leadership to the Board, identify guidelines for the conduct and performance of directors, and oversee the management of the Board's administrative activities, such as meetings, schedules, agenda, communication and documentation.

The Chairman will actively work with the compensation, nomination and remuneration committee to plan the composition of the Board and Board committees, induct directors to the Board, participate in the Board effectiveness evaluation process and meet with individual directors to provide constructive feedback and advice.

Executive management including the Whole Time Director is responsible for corporate strategy, brand equity, planning, external contacts and all matters related to the management and operations of the Company.

Role of the Board of Directors

The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic direction to the Company. As trustees, the Board has fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value and its growth. The Board exercises its duties with care, skill and diligence and exercises independent judgment. It sets strategic goals and seeks accountability for their fulfilment. It also directs and exercises appropriate control to ensure that the Company is managed in a manner that fulfills stakeholder's aspirations and social expectations.

Independent Directors

The Companies Act, 2013 and the Listing Regulations, define an "independent director" as a person who is not a promoter or employee or one of the key managerial personnel (KMP) of the Company or its subsidiaries. The law also states that the person should not have a material pecuniary relationship or transactions with the Company or its subsidiaries, apart from receiving remuneration as an independent director and we abide by these definitions of independent director.

The Board includes Directors with independent standing in their respective fields / profession and who can effectively contribute to the Company's business and policy decisions. Their appointment as Independent Directors on the Board is considered by the Nomination, Remuneration and Compensation Committee.

Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided under law.

Selection of new Directors

The Board is responsible for selection of new directors. The Board delegates the screening and selection process to the Nomination, Remuneration and Compensation Committee, which consists majority of independent directors. The committee, based on defined criteria, makes recommendations to the Board on the induction of new directors.

The nomination, remuneration and compensation committee, works with the entire board to determine the appropriate characteristic's skills and experience required for the board as a whole and for individual members. Members are expected to possess the required qualifications, integrity, expertise and experience for the position. They should also possess deep expertise and insights in sectors / areas relevant to the Company, and ability to contribute to the Company's growth.

Tenure of Directorships

The Board constantly evaluates the contribution of the members and periodically shares updates with the shareholders about re-appointments consistent with applicable statues. The current law in India mandates the retirement of two-third of the non-independent directors (who are liable to retire by rotation) every year, and qualifies the retiring members for reappointment. Executive directors are appointed by the shareholders for a maximum period of five years. An independent director shall hold office for a term of up to five consecutive years on the Board of the Company and will be eligible for re-appointment on the passing of a special resolution by the Company.

Based on the disclosures received from all the independent directors and also in the opinion of the Board, the independent directors fulfill the conditions specified in Companies Act, 2013 and Listing Regulations and are independent of the Management.

Meetings of Independent Directors

One meeting of the Independent Directors was held during the year without the presence of the Executive Director or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters, inter-alia, pertaining to the Company's affairs and put forth their views to the Executive management including the Managing Director and/or Whole Time Director.

Familiarization programmes for Independent Directors

Independent Directors are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, interalia, on the business and performance updates of the Company, business strategy and risks involved.

The independent directors are updated periodically on all business – related issues and new initiatives. At such meetings, the executive directors and other members of the senior management share points of view and leadership thoughts on relevant issues.

Board Member Evaluation

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the nomination, remuneration and compensation committee to lay down the evaluation criteria for the performance of the Chairman, the Board, Board Committees, and executive / non-executive / independent directors through a peer evaluation, excluding the directors being evaluated.

Independent Directors mainly performs key rolls on governance, control and guidance. Some of the performance indicators, based on which the independent directors, are evaluated includes:

- The ability to contribute to and monitor corporate governance practices.
- The ability to contribute to by introducing best practices to address business challenges and risks.
- Commitment to the fulfilment of a director's obligations and fiduciary responsibilities; these include active participation in Board and Committee meetings.

The Board has carried out the annual performance evaluation for the financial year ended March 31, 2018.

The Board expressed its satisfaction on the process as well as performance of all Directors, committees, and Board as a whole.

III. Board Meetings

Scheduling and selection of agenda items

The Board oversees the entire functioning of the Company and is involved in strategic decision-making on a collective basis.

Your Board meets at least four times a year and the interval between any such two meetings has not been more than 120 days. Board meeting dates are finalized in consultation with all the directors. Additional Board meetings shall be convened by giving appropriate notice to address the Company's specific needs. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

The Company Secretary drafts the agenda for each meeting, along with explanatory notes, in consultation with Chief Financial Officer and Whole Time Director and distributes these in advance to the directors. Every Board member can suggest the inclusion of additional items in the agenda. Arrangements are made for participation of Board members in the Board meeting through video conferencing as and when requested.

The information to be placed before the Board as required under Part A of Schedule II of the Listing Regulations (to the extent applicable), Are being complied in respect of the Board meetings.

During FY 2017-18, meetings of the Board of Directors were held on:

i)	May 22, 2017	ii)	July 26, 2017
iii)	August 14, 2017	iv)	November 8, 2017
v)	January 30, 2018		

Attendance of directors at meetings, other Directorships held, etc.

The names and categories of the Directors on the Board, their attendance at Board meetings and Annual General Meeting held during the year, the number of Directorships and Committee Chairmanships/ Memberships held by them in other public companies as on March 31, 2018 are given herein below.

Name	Category	No. of Board Meetings held during the year	No. of Board Meetings attended	Last AGM Attendance	Number of Directorship of other public companies (excluding the Company and private limited companies, foreign companies and Section 8 companies)	Committee Positions of other public companies		Pecuniary or business relation with the Company
						Chairman	Member	
Mr. Vijai Singh Dugar	Independent Director	5	5	Yes	5	Nil	Nil	None
Ms. Udita Jhujhunwala	Independent Director	5	3	No	2	Nil	2	None
Mr. Somayajulu Ayyanna Kodukula	Independent Director	5	5	No	4	2	2	None

Name	Category	No. of Board Meetings held during the year	No. of Board Meetings attended	Last AGM Attendance	Number of Directorship of other public companies (excluding the Company and private limited companies, foreign companies and Section 8 companies)	Committee Positions of other public companies		Pecuniary or business relation with the Company
						Chairman	Member	
Mr. Sunil Biyani	Non - Executive Director	5	4	Yes	4	Nil	3	None
Mr. Rajesh R. Kalyani	Non-Executive Director	5	4	Yes	2	1	Nil	None
Mr. Pramod Arora	Whole Time Director	5	2	Yes	3	Nil	Nil	None

As on March 31, 2018, the number of directorship / committee membership / chairmanship of all the Directors are within the respective limits prescribed under Companies Act, 2013 and the Listing Regulations.

Notes:

- Other directorships do not include alternate directorships, directorships of private limited companies, and Section 8 Companies.
- Directorships in foreign companies and membership in governing councils, chambers and other bodies are not included.
- None of the Directors is a Member of the Board of more than 10 Public Companies in terms of Section 165 of the Companies Act, 2013; Member of more than 10 committees and Chairman of more than 5 committees in terms of the Listing Regulations, across all the companies in which he is a director.
- Mandatory committees are the committees prescribed under the Listing Regulations i.e. Audit Committee and Stakeholders Relationship Committee of public companies.
- The Directorship/Committee Membership is based on the latest disclosures received from Directors.
- 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.
- Excluded the separate meeting of independent directors, in which non independent directors were not eligible to participate.
- Mr. Pramod Arora, was appointed as Whole Time Director w.e.f August 14, 2017
- The tenure of Mr. Sunil Biyani, as a Managing Director of the Company ceased on May 29, 2018 and he continues to be a Non-Executive Director on the Board.

Availability of information to Board members

The Board has unrestricted access to all Company – related information, including that of our employees. At Board meetings, representatives who can provide additional insights into the items being discussed are invited. Regular updates provided to the Board include:

- Annual operating plans and budgets including capital budgets and any updates
- Company's annual Financial Results, Financial Statements, Auditors' Report and Board's Report
- Quarterly results and update on operations.
- Financial results for the relevant period along with limited review / audit report thereon.
- Minutes of various committee meetings of the Company and minutes of board meetings of subsidiary companies and abstracts of circular resolutions.

- Statement of investments made by unlisted subsidiaries.
- General notices of interest received from Directors.
- Shareholding pattern as per Regulation 31(1)(b) of the Listing Regulations.
- Statement of shareholder grievance received/disposed during each quarter.
- Materially important litigations, show cause, demand, prosecution and penalty notices.
- The information on recruitment and remuneration of senior officers below the board level, including appointment or removal of the Chief Financial Officer and the Company Secretary, if any.
- Approval of related party transactions.
- Non-compliance with any regulatory, statutory or listing requirements, as well as shareholder services.
- Quarterly compliance reports and investor grievance report.
- Details of joint ventures and acquisition of companies.
- Sale of a material nature, or of investments, subsidiaries and assets, which are not part of the normal course of business.
- Declaration of Independent Directors at the time of appointment / annually.
- Appointment of Internal and Secretarial Auditors.
- Quarterly summary of all long-term borrowings made, bank guarantees issued and loans and investments made.
- Significant changes in accounting policies and internal controls, if any.
- Proposals for major investments, mergers, amalgamations and reconstructions.

Materially significant related party transaction

There have been no materially significant related party transactions, monetary transactions or relationship between the Company and its directors, the Management, subsidiaries, or relatives, except for those disclosed in the Board's report.

Material related party transactions are required to be approved by members of the Company pursuant to the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and transactions so identified shall be placed at the ensuing Annual General Meeting for the approval of the members.

Recording minutes of proceedings at Board and Committee meetings

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board / Board Committee members for their comments. Thereafter, after considering the comments minutes are finalized and placed before the next meeting for approval.

Post meeting follow-up mechanism

The guidelines for Board and Board Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Board Committees thereof. Important decisions taken at Board / Board Committee meetings are communicated promptly to the concerned departments / divisions. Action-taken report on decisions / minutes of the previous meeting(s) is placed at the succeeding meeting of the Board / Board Committee for noting.

Compliance

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations including the Companies Act, 2013 read with rules issued there under, as applicable and SS-1 and SS-2 issued by the Institute of Company Secretaries of India.

Independent directors meeting

Schedule IV of the Companies Act, 2013 and the Rules under it mandates that the independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of the management.

During the year under review, one meeting of independent Directors was held on January 30, 2018 and Independent Directors reviewed all the matters as per Schedule IV of the Companies Act, 2013 (the Act). All the Independent Directors were present at the meeting.

Remuneration Paid to directors in fiscal 2018

Name of Director	Sitting Fees Paid	Salaries, allowances and perquisites	Total
Mr. Vijai Singh Dugar	3,50,000	-	3,50,000
Ms. Udita Jhunjhunwala	1,15,000	-	1,15,000
Mr. K. A. Somayajulu	3,60,000	-	3,60,000
Mr. Sunil Biyani	-	-	-
Mr. Rajesh R. Kalyani	2,80,000	-	2,80,000
Mr. Pramod Arora	-	1,70,89,167	1,70,89,167

Notes:

Sitting fees include payment to the Directors for attending meetings of Board, Audit Committee, Nomination Remuneration and Compensation Committee and Meeting of Independent Directors.

Mr. Sunil Biyani, holds 50 Equity shares of the Company.

Mr. Rajesh Kalyani holds 41,025 Equity Shares of the Company.

GST is not included.

IV. Board Committees

Currently the Board has Five (5) Committees: Audit Committee, Stakeholders Relationship Committee, Share Transfer Committee, Nomination, Remuneration and Compensation 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

As on March 31, 2018, the Committee comprises of 3 Directors out of which 2 are Independent Directors. All the members, including Chairman of the Audit Committee are financially literate and have the ability to read and understand the financial statement. Composition of the committee as on March 31, 2018 and member's attendance at the meeting during the year are as under:

Mr. Vijai Singh Dugar : Chairman / Independent Director

Mr. K. A. Somayajulu : Member / Independent Director

Mr. Rajesh Kalyani : Member / Non-executive Director

The Audit Committee met five times i.e. on May 22, 2017, July 26, 2017, August 14, 2017, November 8, 2017, and January 30, 2018.

The minutes of the meetings of the Audit Committee are reviewed and noted by the Board. The attendance of the members at the meetings of the Committee is given below:

Name of Member	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. Vijai Singh Dugar	Independent Director	Chairman	5	5
Mr. K. A. Somayajulu	Independent Director	Member	5	5
Mr. Rajesh Kalyani	Non-Executive Director	Member	5	4

The Chief Financial Officer, Internal Auditor and the Statutory Auditors are invitees to the relevant meetings of the Audit Committee in respect of businesses related to them. The Company Secretary acts as Secretary to the Audit Committee.

General

- At present the members of the Audit Committee are paid sitting fees of Rs. 40,000/- for every meeting of the Committee attended by them.
- Executives of Accounts Department, Corporate Secretarial Department and representatives of statutory and internal auditors also attend the Audit Committee Meetings.
- The internal auditor reports directly to the Audit Committee.
- The time interval between any two Audit Committee meetings was not more than 120 days.

The Chairman of the Audit Committee was present at the last Annual General Meeting held on September 15, 2017.

The Committee's composition meets with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. Members of the Audit Committee possess financial / accounting expertise / exposure.

The primary objective of the audit committee is to monitor and to provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the independent auditors, and notes the processes and safeguards employed by each of them. The Audit Committee is responsible to select, evaluate and, where appropriate, replace the independent auditors in accordance with the law. All possible measures are taken by the committee to ensure the objectivity and independence of the independent auditors.

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

- To investigate any activity within its terms of reference.
- To seek information from any employees.
- To obtain outside legal or other professional advice.
- To ensure efficiency and effectiveness of operations, both domestic and overseas;
- To ensure reliability of financial and management information and adequacy of disclosures;
- Safeguarding of assets and adequacy of provisions of all liabilities; and
- To oversee and review compliance with all relevant statutes.

(ii) **Internal Controls and Governance Processes**

- Review the adequacy and effectiveness of the Company's system and internal controls.
- Review and discuss the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure.
- To oversee and review the functioning of a vigil mechanism and to review the findings of investigation into cases of material nature and the actions taken in respect thereof.

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

Role of the Audit Committee, *inter-alia*, includes the following:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- 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.
- Reviewing with the management, performance of the statutory and internal auditors and adequacy of the internal control system.
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
- Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;

- Major accounting entries involving estimates based on the exercise of judgment by the management;
- Significant adjustments made in financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions; and
- Qualifications in draft audit report, if any.
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- To ensure compliance of Internal Control Systems and action taken on Internal Audit reports.
- To appraise the Board on the impact of accounting policies, auditing standards and legislation.
- To hold periodical discussions with statutory auditors on the nature and scope of the audit.
- To review the Company's financial and risk management policies.
- To seek any information and investigate any activity with terms of its reference.
- To review the functioning of the Vigil Mechanism and Whistle Blower Policy.
- Approval of appointment of the CFO after assessing qualifications, experience and background, etc. of the candidate.
- To carry out any other function as mentioned in the terms of reference of the Audit Committee.
- Reviewing the following information:
- The Management Discussion and Analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- Reviewing the appointment, removal and terms of remuneration of the Chief internal auditor / internal auditor.

The Statutory Auditors and Internal Auditors and executives from accounts, finance and corporate secretarial function also attended Audit Committee Meetings.

B. Nomination, Remuneration and Compensation Committee

Our Nomination, Remuneration and Compensation Committee comprises of two independent directors and one Non-Executive Director. The Committee's constitution and terms of reference are in compliance with the provisions of the Companies Act, 2013 and Regulation 19 Listing Regulations and Section 178 of the Companies Act, 2013.

In the financial year 2017-18, three meetings of the committee were held on July 26, 2017, August 14, 2017, and November 8, 2017. The minutes of the meetings of the Nomination, Remuneration and Compensation Committee are reviewed and noted by the Board. Composition of committee and members attendance at the meeting during the year are as under:

Name of Member	Category	Position	No. of Meetings held	No. of Meetings attended
Mr. K. A. Somayajulu	Independent Director	Chairman	3	3
Mr. Vijai Singh Dugar	Independent Director	Member	3	2
Mr. Rajesh Kalyani	Non-Executive Director	Member	3	3

The Company Secretary acts as the Secretary of the Committee.

Terms of Reference of the Committee, inter-alia, includes the following:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To devise a policy on Board diversity.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

  This Committee also discharges the functions of the 'Compensation Committee' as prescribed under the SEBI (Share Based Employee Benefits) Regulations, 2014. The role of the Committee, inter alia, is to approve/recommend the remuneration/ packages of the Executive and Non-Executive Directors and of Senior Management Personnel and to lay down the criteria for performance evaluation of Board of Directors as whole, individual directors and the committees of the Board.

The committee under the guidance of the Board also formulated the criteria and framework for the performance evaluation of every Director on the Board, including the executive and independent directors and identified ongoing training and education programs to ensure that the non-executive directors are provided with adequate information regarding the business, the industry, and their legal responsibilities and duties.

Brief about Remuneration Policy

Your Company has formulated a policy on Nomination and Remuneration of Directors and Senior Managerial Personnel and the major points relating to Remuneration policy is as follows:

Remuneration structure of Directors:

i. Independent Directors and Non-Executive Directors have been paid sitting fees for attending meetings of Board and Board Committees (where they are members) subject to ceiling/ limits as provided under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

ii. The remuneration/ compensation/ commission etc. to be paid to Managing Director/Whole-time Director(s)/Executive Director(s) etc. shall be as per their employment contract/ terms of appointment, subject to the limits and conditions under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force and the approval of the shareholders.

Remuneration structure of Key Managerial Personnel (KMP) and Senior Management is as detailed hereunder:

i. The Compensation of KMP and Senior Management personnel is done keeping in consideration the prevailing market value of the resource, criticality of role and internal parity of the team.

ii. The remuneration structure to KMPs and Senior Management personnel may include a variable performance linked component.

iii. **Service contract / notice period / severance fees**

Terms of service are governed in terms of respective Service Contracts and in terms of resolutions passed by the shareholders of the Company. The employment contract does not contain any provisions for payment of any severance fees in case of cessation of employment of the Managing Director and Whole Time Director.

C. Share Transfer Committee

At present the Share Transfer Committee of the Company comprises of Mr. Vijai Singh Dugar, Mr. Rajesh Kalyani and Ms. Udita Jhunjhunwala.

Terms of Reference:

a. To approve the Transfer/Transmission of Shares, dematerialization and rematerialization of Shares of the Company.

b. To approve deletion of name.

c. To approve split, consolidation and issuance of duplicate shares.

d. To oversees the performance of the Registrars and Share Transfer Agents *i.e*. Link Intime India Private Limited.

The Committee met 5 (five) times during the year ended March 31, 2018.The composition of the Share Transfer Committee is given below:

Name of Member	Category	No. of Meetings held	No. of Meetings attended
Mr. Vijai Singh Dugar	Independent Director	5	5
Ms. Udita Jhunjhunwala	Independent Director	5	-
Mr. Rajesh Kalyani	Non-Executive Director	5	5

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

D. Stakeholders' Relationship Committee

Committee performs various functions conferred under the Listing Regulations and section 178 of the Act, which mainly covers ensuring resolution of grievances of security holders of the Company.

The Committee comprises of three Directors, out of which one is Independent Director, namely Mr. Vijai Singh Dugar, two Non-Executive Non-Independent Director, namely Mr. Rajesh Kalyani and Mr. Sunil Biyani.

The Committee's composition and the terms of reference meet with the requirements of Regulation 20 of the Listing Regulations and provisions of the Companies Act, 2013.

Terms of Reference of the Committee, inter-alia, includes the following

- Consider, resolve and monitor redressal of investor's / shareholder's grievances related to transfer of shares, non-receipt of Annual Report, non-receipt of declared dividend etc.
- Oversee the performance of the Company's Share Transfer Agent.
- Recommend methods to upgrade the standard of services to investors.
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

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, 2018, the company received there were 3 (Three) Investor Complaints received and the same were processed and resolved. No investor grievance remained unattended / pending.

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

Compliance Officer

Mr. Anil Cherian, Head-Legal & Company Secretary is the Compliance Officer for complying with requirements of Securities Laws, Listing Regulations and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

E. Committee of Directors

The committee of Directors is authorized to take decisions which are required for the day to day operations of the Company subject to the power and authorities specified by the Board from time to time. The composition of the Committee of Directors is given below:

Name of Member	Category
Mr. Vijai Singh Dugar	Independent Director
Mr. Sunil Biyani	Non-Executive Director
Mr. Rajesh Kalyani	Non-Executive Director

The committee met 3 (Three) 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.

F. Information related to appointment of Directors

Disclosure regarding the appointment or re-appointment of directors

In terms of Section 152 read with Section 149(13) of the Companies Act, 2013, Mr. Sunil Biyani and Mr. Rajesh Kalyani are liable to retire by rotation. The said Directors has offered themselves for reappointment and resolution for their reappointment, is incorporated in the Notice of the ensuing Annual General Meeting.

Mr. Sunil Biyani: Non–Executive Director

Mr. Sunil Biyani is a Commerce Graduate with Masters in Business Administration and is instrumental in setting up various formats in the Group. He has extensive experience in textiles, retail sectors, Building and Construction, Property related transaction and project management. He leads the real estate, mall management teams of various group companies within the Future Group.

Mr. Rajesh Kalyani: Non–Executive Director

Mr. Rajesh Kalyani is a member of the Institute of Chartered Accountants of India with 27 years of experience in areas of business planning, project & working capital management, properties, commercial & taxation matters.

Independent Directors

Ms. Udita Jhunjhunwala, was appointed as an Independent Director on the Board for a period of 3 (three) consecutive years for a term up to September 28, 2018. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director. She has also submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013. The said Director has offered herself for reappointment and resolution for her reappointment, is incorporated in the Notice of the ensuing Annual General Meeting.

Mr. Somayajulu Ayyanna Kodukula, was appointed as an Independent Director on the Board for a period of 3 (three) consecutive years for a term up to September 28, 2018. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director. He has also submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013. The said Director has offered himself for reappointment and resolution for his reappointment is incorporated in the Notice of the ensuing Annual General Meeting.

Further, Section 149 (11) of the Act states that no independent director shall be eligible to serve on the board for more than two consecutive terms of five years. Section 149 (13) of the Act states that the provisions of retirement by rotation as defined in sub-sections (6) and (7) of Section 152 of the Act shall not apply to such independent directors. None of the independent directors will retire at the ensuing Annual General Meeting.

Means of Communication

Website	Your Company maintains a website www.fmn.co.in, wherein there is a dedicated section 'Investors'. The website provides details, inter alia, about the Company, its performance including quarterly financial results, annual reports, press release, shareholding pattern, contact details etc.
Quarterly/ Annual Financial Results	Generally published in Free Press Journal (English Daily Newspaper) and Navshakti (Marathi Newspaper). The results are also uploaded by BSE and NSE on their website www.bseindia.com and www.nseindia.com respectively
Stock exchanges	All periodical information, including the statutory filings and disclosures, are filed with BSE and NSE. The filings required to be made under the Listing Regulations, including the Shareholding pattern and Corporate Governance Report for each quarter are also filed on BSE Listing Centre and NSE Electronic Application Processing System (NEAPS).
Investor servicing	A separate e-mail id info.fmnl@futuregroup.in has been designated for the purpose of registering complaints by shareholders or investors.

Details of non-compliance

No penalty has been imposed by any stock exchange or SEBI nor has there been any instance of non-compliance with any legal requirements, or on matters relating to the capital market over the last three years.

Auditor's certificate on corporate governance

As required by Schedule V of the Listing Regulations the Auditor's certificate on corporate governance is annexed to the Board's report.

Certification by WTD and CFO

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certification by WTD and CFO is provided in this Annual Report.

Code of conduct

Board of Directors have laid down Code of Conduct for Directors and Senior Management (the Code) for all the Board Members and senior management personnel in terms of Regulation 26(3) of the Listing Regulations and the Companies Act, 2013.

All the Directors and senior management personnel have affirmed compliance with the Code of Conduct as approved and adopted by the Board of Directors. The code of conduct has been posted on the website of the company www.fmn.co.in.

Prohibition of Insider Trading:

The company has devised and adopted a Code of Conduct to regulate, monitor, and report trading in Company's securities by persons having access to unpublished price-sensitive information of the Company in terms of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. Company Secretary, is the Compliance Officer for the purpose of this code.

The Company has automated the declarations and disclosures to identified designated employees, and the Board reviews the policy on need basis. During the year there has been due compliance with the code by the company and all insiders and requisite disclosures were made to the Stock Exchanges from time to time. The policy is available on our website, www.fmn.co.in.

General Body Meetings

The Company convenes Annual General Meeting (AGM) within the stipulated time period. The details of the Special Resolutions passed at in the previous three AGM are given below:

a. Details of the Special Resolutions passed at in the previous three Annual General Meeting:

Financial Year	Day, Date & Time	Venue	Special Resolution Passed
2014-15	Tuesday, September 29, 2015 3.00 p.m.	Sunville Banquets 9, Dr. Annie Besant Road, Worli, Mumbai – 400 018	• Appointment of Viren Gandhi & Co. as the Statutory Auditors of the Company in place of the retiring auditors M/s. NGS & Co. LLP. • Approval for entering into related party transactions which are material in nature.
2015-16	Tuesday, September 20, 2016 2.00 p.m.	Sunville Banquets 9, Dr. Annie Besant Road, Worli, Mumbai – 400 018	• Approval of Future Market Networks Limited Employee Stock Option Scheme – 2016. • Approval of Future Market Networks Limited Employee Stock Option Scheme – 2016 for employees / directors of the Subsidiary Companies.
2016-17	Friday, September 15, 2017 2.00 p.m	Sunville Banquets 9, Dr. Annie Besant Road, Worli, Mumbai – 400 018	• Re-Appointment of Mr. Vijai Singh Dugar as an Independent Director for a further tenure five consecutive years w.e.f September 18, 2017. • Appointment and remuneration of Mr. Pramod Arora as a Whole Time Director for a period of Three Years w.e.f August 14, 2017.

b. Details of Special Resolutions passed at the Extraordinary General Meetings for the last 3 years

No extra ordinary general meeting of the company was held during the last 3 (three) years.

c. Details of Postal Ballot during the FY 2017-18

The Company has not passed any special resolution through postal ballot pursuant to section 110 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, (the "Act") if any, read together with the Companies (Management and Administration) Rules, 2014, during the period under review.

V. General Shareholders information

a. Company Registration Details: The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L45400MH2008PLC179914.

b. Registered Office and Address: Knowledge House, Shyam Nagar, Off. Jogeshwari – Vikhroli Link Road, Jogeshwari (E), Mumbai – 4000 060.

c. Annual General Meeting

i. AGM Date, Day : September 19, 2018,Wednesday

ii. Time & Venue : 12.00 Noon Sunville Banquets 9, Dr. Annie Besant Road, Worli, Mumbai – 400018

d. Financial Year : The financial year of the Company starts from April 1 and ends on March 31 of the succeeding year

e. Book Closure Period : September 12, 2018 to September 19, 2018 (both days inclusive)

f. Financial Calendar (tentative):

First Quarterly Result	:	on or before July 31, 2018
Second Quarterly Result	:	on or before November 14, 2018
Third Quarterly Result	:	on or before February 14, 2019
Financial year ending	:	on or before May 30, 2019

g. Listing of Equity Shares on Stock Exchanges

I. **BSE Limited (BSE)**

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai 400 001

Scrip Code: 533296

II. **National Stock Exchange of India Limited(NSE)**

''Exchange Plaza", Bandra-Kurla Complex,

Bandra (E), Mumbai 400 051

Trading Symbol - FMNL

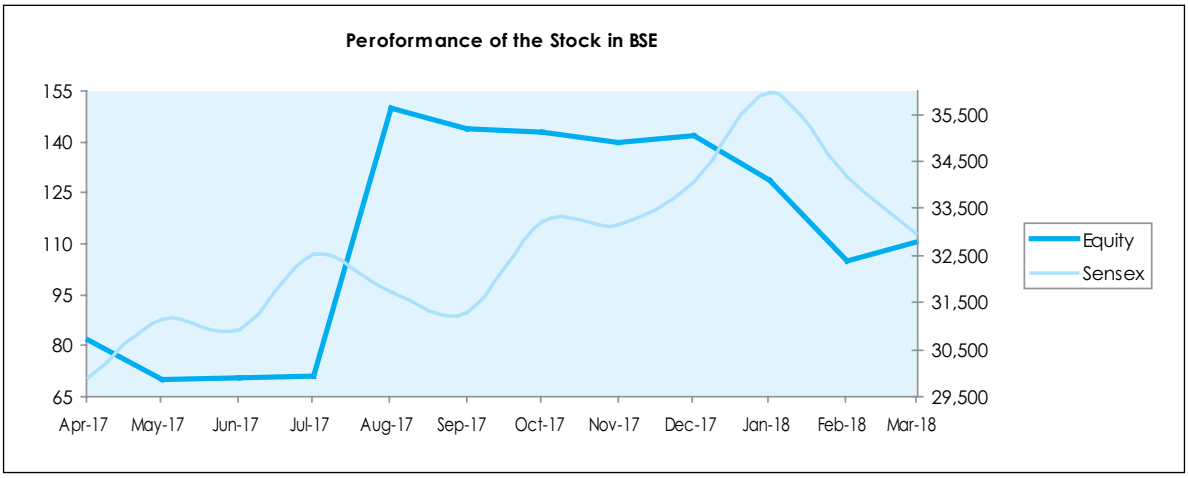
h. ISIN: INE360L01017

i. Suspension of trading in securities: There was no suspension of trading in securities of the Company during the year under review.

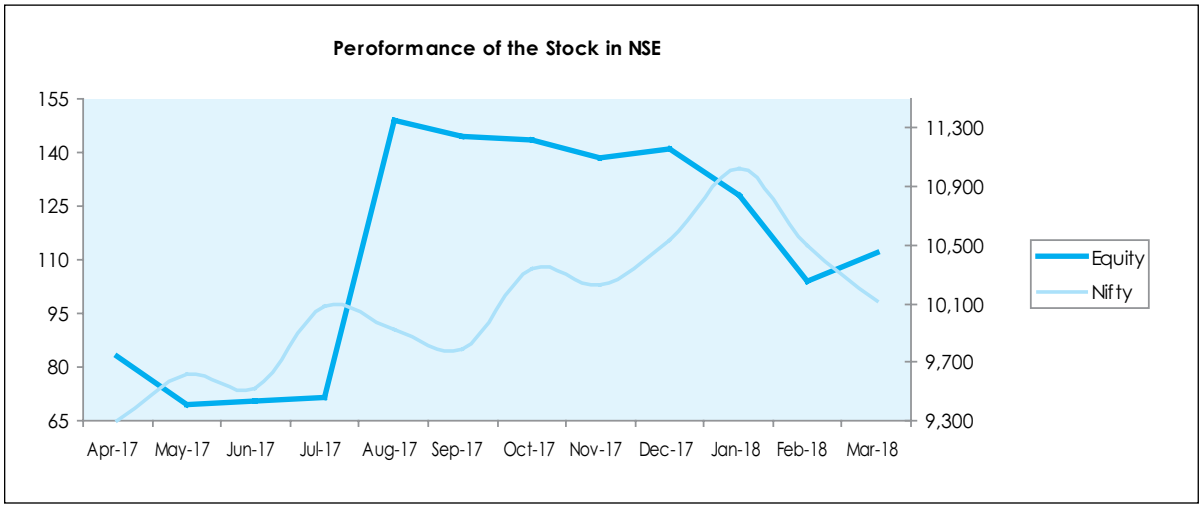
j. Stock Market Data

High, lows and Volumes of FMNL from April 1, 2017 to March 31, 2018 at BSE and NSE.

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (Number of Shares Traded)	High (₹)	Low (₹)	Volume (Number of Shares Traded)
April 2017	93.80	72.10	2,40,925	92.70	70.50	14,72,800
May 2017	85.80	68.50	1,35,901	86.15	67.90	5,23,533
June 2017	77.25	68.05	61,505	76.90	67.80	3,64,718
July 2017	82.00	66.50	1,89,311	81.80	68.55	11,15,638
August 2017	149.75	63.65	9,03,147	149.15	63.50	29,92,661
September 2017	200.55	124.00	12,95,393	199.75	122.55	44,26,951
October 2017	156.30	120.10	3,11,772	157.95	120.25	17,66,116
November 2017	156.95	125.70	1,42,128	157.90	128.00	7,70,847
December 2017	168.15	126.50	6,87,983	168.00	125.50	33,13,818
January 2018	157.15	116.00	3,37,600	158.00	121.00	15,98,957
February 2018	132.50	95.00	1,66,406	132.00	97.00	6,55,211
March 2018	148.90	79.10	13,77,717	148.80	77.65	69,49,110



The performance comparison is based on the closing price / Sensex on the last trading day of the month.



The performance comparison is based on the closing price / CNX Nifty on the last trading day of the month.

k. 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, 2018 is as below:

i. Distribution of shareholding as on March 31, 2018

Distribution Range of Shares	No. of Shares	% of shares	No. of Shareholders	% of Shareholders
1 – 500	805097	1.4302	15140	94.5718
501 – 1000	346315	0.6152	433	2.7047
1001 – 2000	272703	0.4844	180	1.1244
2001 – 3000	158954	0.2824	63	0.3935
3001 – 4000	111191	0.1975	31	0.1936
4001 – 5000	149121	0.2649	32	0.1999
5001 – 10000	342992	0.6093	47	0.2936
Greater than 10000	54104908	96.1160	83	0.5185
Total	**56291281**	**100.00**	**16009**	**100.00**

ii. Shareholding pattern by ownership as on March 31, 2018

Categories	As on March 31, 2018	
	No. of Shares	Percentage
Promoters, Relatives and Associates	4,11,83,410	73.16
Directors	41,025	0.07
Public Financial Institutions / State Financial Corporation / Insurance Companies	31184	0.06
Mutual Funds (Indian) and UTI	4527	0.01
Nationalized and other Banks	260452	0.46
NRI / OCBs	44397	0.08
Public	5217796	9.27
Others (CM/Other Body Corporate/HUF/Trusts/Foreign Portfolio Investor (Corporate))	9508490	16.89
Total	**5,62,91,281**	**100.00**

l. Dematerialization of Shares

As on March 31, 2018, 56228563 Equity Shares representing 99.89% of the total equity capital of the Company were held in dematerialized form. The bifurcation of shares held in Physical and Demat form are given below:

Particulars	No. of Shares	Percentage
Physical Segment	62718	0.11
Demat Segment		
NSDL	53349661	94.78
CDSL	2878902	5.11
Total	**56291281**	**100.00**

m. Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital to reconcile the total capital held with the National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges.

The report, inter alia, confirms that the number of shares issued, listed on the Stock exchanges and that held in demat and physical mode are in agreement with each other.

n. Registrar and Transfer Agents

Link Intime India Private Limited, C 101, 247 Park, LBS Marg, Vikhroli West, Mumbai – 400 083, Tel: +91 22 49186000 Fax: +91 22 49186060 Email: rnt.helpdesk@linkintime.co.in

o. Share Transfer system

Shares in physical form sent for registering transfer, to the Registrar and Share Transfer Agents, Link Intime India Private Limited are registered and returned within statutory period of 15 days from the date of receipt, if the documents are in order in all respects. The Share Transfer Committee of the Company meets as often as required.

p. 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 – now known as Future Enterprises Limited, FEL) is kept in abeyance and the said shares will be allotted subsequent to completion of legal formalities to allot the original shares in FEL which are currently held in abeyance.

Fractional shares on the allotment of shares subsequent to the demerger 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.

q. 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 61995237; Fax: 022 61995054
Email id for investors: info.fmnl@futuregroup.in

ii. Shareholders correspondence should be addressed to:

Link Intime India Private Limited,
C 101, 247 Park, LBS Marg, Vikhroli West, Mumbai – 400 083,
Tel: +91 22 49186000 Fax: +91 22 49186060
Email: rnt.helpdesk@linkintime.co.in

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

VI. Additional Shareholders Disclosure/ information

a. Neither there were any non- compliances, nor any penalties or strictures have been imposed on your Company by the Stock Exchanges nor SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

b. Your Company has a Whistle blower Policy in place. During the year under review no personnel have either approached the Audit Committee or been denied access to the Audit Committee.

c. Your Company has complied with all the mandatory requirements of the Listing Regulations relating to corporate governance.

d. 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 2018-19 have been paid to BSE and NSE.

e. The Company has paid custodial fees for the year 2018-19 to National Securities Depository Limited and Central Depository Services (India) Limited on the basis of number of beneficial accounts maintained by them.

f. The financial statements of the Company have been prepared in accordance with Indian Accounting Standard (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The financial statements have been prepared on an accrual basis under the historical cost basis except for certain assets and liabilities which have been measured at fair value or revalued amount wherever applicable.

r. Adoption of Non-Mandatory Requirements

As specified in sub-regulation 1 of Regulation 27 of the Listing Regulations, the non-mandatory requirements are reviewed by the Board as and when necessary.

Standalone Financial Statements and Notes

INDEPENDENT AUDITOR'S REPORT

To the Members of

FUTURE MARKET NETWORKS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of FUTURE MARKET NETWORKS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income),cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act and the rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs of the Company as at March 31, 2018, its profit (including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Emphasis of Matter

Attention is drawn to Note No. 35 of standalone financial statements.

The Company has sub lease rights with respect to a shopping mall in Mumbai and there were serious disputes amongst the parties under the said arrangement. During the year 2017-18, the parties have arrived at a settlement in a suit filed by the Company and tendered consent terms with Hon'ble High Court of Bombay in the suit filed by the Company. The consent terms deals with settlement of long standing dispute between the Company including settlement of past claims of sub lessor and in terms of the settlement entire outstanding till June 30, 2017 is settled for an amount of ₹ 35.10 Cr, which is payable over

a period of 3 years (over and above the existing receivables standing in the books) and the arrangement provides for future lease period and reduced rentals for the sub lease period upto August 2027. The arrangement deals with entitlement of lease rental in respect of premises owned by various third parties and a minority of such third party owners have intervened in the matter raising objections with respect of approval of consent terms by the Hon'ble Court. The Court has taken the consent terms on record but not yet issued an order sanctioning the consent terms. In case, the consent terms are accepted as filed, the Company will have to honor its payment obligations for the said amount after payments made, if any, and the parties shall be administrated in terms of the said consent terms. However, if the consent terms are not approved as agreed by the parties, it shall be relegated to the original position of the suit filed by the Company. In view of this, the above has been disclosed as contingent liabilities pending approval of Hon'ble High Court in relation to the consent terms.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flow and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act;

   e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2".

   g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 35 on Contingent Liabilities to the standalone financial statements;

      (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

      (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Viren Gandhi & Co
Chartered Accountants
ICAI Firm Registration No. 111558W

Chintan Gandhi
Partner
Membership No.137079

Place: Mumbai
Date: May 25, 2018

ANNEXURE I TO THE AUDITORS' REPORT

(As referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

(i) In respect of Fixed Assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, these fixed assets have been physically verified by management at regular intervals, which in our opinion is reasonable considering the size of the company and the nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

(ii) In respect of its Inventories:

As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification.

(iii) In respect of the loans, secured or unsecured, granted by the Company to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013

(a) In our opinion and according to the information given to us, the terms and conditions of the loans given by the Company are prima facie, not prejudicial to the interest of the Company.

(b) The schedule of repayment of principal and payment of interest has been stipulated and repayments of principal amounts and/or receipts of interest have been regular as per stipulations.

(c) There are no overdue amounts as at the year-end in respect of both principal and interest.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 and accordingly, paragraph 3(v) of the Order is not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Companies Act for the products of the company.

(vii) In respect of statutory dues:

(a) According to the information and explanations given to us and the records of the Company examined by us, the Company is regular in depositing undisputed statutory dues as applicable with the appropriate authorities with respect to Provident Fund, Income-tax, Sales Tax, Value Added Tax, Wealth Tax, Service Tax, Cess and other material statutory dues.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee's state insurance, income-tax, sales-tax, service tax, wealth tax, cess and other material statutory dues were outstanding as at March 31, 2018, for a period of more than six months from the date they became payable.

(c) Details of dues of service tax, which have not been deposited as at March 31, 2018 on account of dispute, are given below.

Name of the Statute	Nature of the dues	Amount (₹ In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	779.80	Prior to 2014	High Court

The above disputed service tax amount is due and payable by the third party (Refer note 35)

(viii) 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 banks and financial institutions. The Company does not have any loans or borrowings from government and has not issued any debentures. Accordingly, the Paragraph 3(viii) of the order is not applicable to the Company.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The Company has also not raised any money by way of term loans during the year.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under clause (xv) of Paragraph 3 of the Order is not applicable to the Company

(xvi) The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

For Viren Gandhi & Co
Chartered Accountants
ICAI Firm Registration No. 111558W

Chintan Gandhi
Partner
Membership No.137079

Place: Mumbai
Date: May 25, 2018

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of FUTURE MARKET NETWORKS LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting(the "Guidance Note) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act,, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note issued by Institute of Chartered Accountants of India.

For Viren Gandhi & Co
Chartered Accountants
ICAI Firm Registration No. 111558W

Chintan Gandhi
Partner
Membership No.137079

Place: Mumbai
Date: May 25, 2018

Balance Sheet as at March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	3	11,038.95	13,238.76
Investment properties	4	7,468.39	7,604.37
Financial assets			
Investments	5 (a)	12,973.40	11,766.58
Loans	5 (c)	4,258.07	4,924.53
Deferred tax assets (net)	6	7,110.20	7,476.18
Other non-current assets	7	4,264.93	4,626.22
Total non-current assets		**47,113.94**	**49,636.64**
Current assets			
Inventories	8	918.71	929.80
Financial assets			
Investments	5 (a)	510.54	-
Trade receivables	5 (b)	1,573.38	1,361.56
Cash and cash equivalents	5 (d)	742.01	647.16
Bank Balances other than above	5 (e)	7.15	6.68
Loans	5 (c)	7,564.09	7,843.09
Other financial assets	5 (f)	157.61	14.61
Other current assets	7	1,676.79	1,671.76
		13,150.28	**12,474.66**
Assets classified as held for sale	9	6,277.75	7,786.03
Total current assets		**19,428.03**	**20,260.69**
Total assets		**66,541.97**	**69,897.33**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10 (a)	5,629.13	5,629.13
Other Equity	10 (b)	13,751.99	13,601.42
Total Equity		**19,381.12**	**19,230.55**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	11 (a)	3,505.51	7,764.93
Other financial liabilities	11 (b)	8,895.68	3,853.41
Employee benefit obligations	12	31.51	21.26
Other non-current liabilities	13	572.19	672.52
Total non-current liabilities		**13,004.89**	**12,312.12**
Current liabilities			
Financial liabilities			
Borrowings	11 (a)	12,760.30	14,900.98
Trade payables	11 (c)	1,347.59	1,595.28
Other financial liabilities	11 (b)	7,594.63	10,647.59
Employee benefit obligations	12	0.50	0.34
Other current liabilities	13	12,452.94	11,210.47
Total current liabilities		**34,155.96**	**38,354.66**
Total liabilities		47,160.85	50,666.78
Total Equity and Liabilities		**66,541.97**	**69,897.33**
The above balance sheet should be read in conjunction with the accompanying notes.	1-35		

As per our Report of even date
For Viren Gandhi & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Chintan Gandhi
Partner

Sunil Biyani
Managing Director
DIN: 00006583

Vijai Singh Dugar
Chairman
DIN: 06463399

Pramod Arora
Whole Time Director
DIN: 02559344

Place: Mumbai
Date: May 25,2018

Pawan Agarwal
Chief Financial Officer

Anil Cherian
Company Secretary

Statement of Profit and Loss for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Income			
Revenue from operations	15	7,941.43	8,250.06
Other income	16	3,496.26	3,338.53
Total income		**11,437.69**	**11,588.59**
Expenses			
Operating Cost	17	4,868.65	4,749.36
Cost of units sold	18	39.28	384.66
Employee benefits expense	19	469.82	467.63
Finance costs	20	2,326.54	4,200.32
Depreciation and amortization expense	21	2,486.41	2,613.89
Other expenses	22	699.51	1,526.02
Total expenses		**10,890.21**	**13,941.88**
Profit /(Loss) before exceptional items and tax		**547.48**	**(2,353.29)**
Exceptional items		-	-
Profit/(Loss) before tax		**547.48**	**(2,353.29)**
Income tax expenses			
Current tax	6	-	-
Deferred tax	6	367.20	52.80
Total tax expenses		**367.20**	**52.80**
Profit/(Loss) for the year (A)		**180.28**	**(2,406.09)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans	10	1.24	6.52
Equity instruments through other comprehensive income	10	(32.16)	(206.26)
Income tax relating to items that will not be reclassified to profit or loss		-	-
Remeasurements of net defined benefit plans	10	0.41	2.16
Equity instruments through other comprehensive income	10	(1.63)	(68.20)
Other comprehensive income for the year,net of taxes(B)		**(29.70)**	**(133.70)**
Total comprehensive income for the year (A+B)		**150.58**	**(2,539.79)**
Earnings per equity share	26		
Basic (face value of ₹ 10/- each) (in ₹)		**0.32**	**(4.28)**
Diluted (face value of ₹ 10/- each) (in ₹)		**0.32**	**(4.28)**
The above statement of profit and loss should be read in conjunction with the accompanying notes.	1-35		

As per our Report of even date
For Viren Gandhi & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Chintan Gandhi
Partner

Sunil Biyani
Managing Director
DIN: 00006583

Vijai Singh Dugar
Chairman
DIN: 06463399

Pramod Arora
Whole Time Director
DIN: 02559344

Place: Mumbai
Date: May 25,2018

Pawan Agarwal
Chief Financial Officer

Anil Cherian
Company Secretary

Statement of Change in Equity

(All amounts in INR lakhs, unless otherwise stated)

A. Equity Share Capital

As at March 31, 2017	**5,629.13**
Changes in equity share capital	-
As at March 31, 2018	**5,629.13**

B. Other Equity

	Reserve and surplus					Other Reserve	Total other equity
	Securities premium	Share option outstanding account	Retained earnings	Capital Reserve	Subordinated Debt	FVOCI-equity investments	
Balance as at April 1, 2016	**25,267.13**	**19.69**	**(16,811.03)**	**7,474.75**	**3,066.00**	**(4,719.82)**	**14,296.72**
Profit / (Loss) for the year	-	-	(2,406.09)	-	-	-	(2,406.09)
Other comprehensive income for the year	-	-	4.37	-	-	(138.06)	(133.69)
Total comprehensive income for the year	**-**	**-**	**(2,401.72)**	**-**	**-**	**(138.06)**	**(2,539.78)**
Employee stock option expenses	21.80	2.11	-	-	-	-	23.91
Issue of Equity shares	2.40	(21.80)	-	-	-	-	(19.40)
Addition during the year	-	-	-	-	1,839.97	-	1,839.97
Balance as at March 31, 2017	**25,291.33**	**-**	**(19,212.75)**	**7,474.75**	**4,905.97**	**(4,857.88)**	**13,601.42**
Balance as at April 1, 2017	**25,291.33**	**-**	**(19,212.75)**	**7,474.75**	**4,905.97**	**(4,857.88)**	**13,601.42**
Profit / (Loss) for the year	-	-	180.28	-	-	-	180.28
Other comprehensive income for the year	-	-	0.83	-	-	(30.53)	(29.70)
Total comprehensive income for the year	**-**	**-**	**181.11**	**-**	**-**	**(30.53)**	**150.58**
Balance as at March 31, 2018	**25,291.33**	**-**	**(19,031.64)**	**7,474.75**	**4,905.97**	**(4,888.41)**	**13,751.99**

The above statement of changes in Equity should be read in conjunction with the accompanying notes.

As per our Report of even date
For Viren Gandhi & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Chintan Gandhi
Partner

Sunil Biyani
Managing Director
DIN: 00006583

Vijai Singh Dugar
Chairman
DIN: 06463399

Pramod Arora
Whole Time Director
DIN: 02559344

Place: Mumbai
Date: May 25,2018

Pawan Agarwal
Chief Financial Officer

Anil Cherian
Company Secretary

Cash Flow Statement for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
	Cash Flow from operating activities:		
	Profit / (Loss) before income tax	**547.48**	**(2,353.29)**
	Adjustments for		
	Add:		
	Provision For Doubtful Debt	32.59	-
	Depreciation and amortisation expenses	2,486.41	2,613.87
	Finance costs	2,326.55	4,200.32
	Loss on assets sold or discarded/ Investment	-	407.57
	Bad debts and irrecoverable balances written off	-	203.84
	Share Based Payment Expenses	-	1.89
	Provision for Gratuity & Leave Encashment	11.94	6.10
	Less:	**-**	-
	Interest received	(1,922.66)	(2,464.86)
	Sundry balance written back	(5.11)	(533.66)
	Profit on sale of investment	(303.50)	-
	Profit on sale of assets	(1,129.52)	(325.08)
	Gratuity & Leave Encashment Paid	(0.29)	-
	Operating Profit before Working Capital change	**2,043.88**	**1,756.70**
	Change in operating assets and liabilities		
	Trade and Other Receivable	(439.11)	2,557.71
	Trade Payable,Other Liabilities & Provisions	6,023.88	(6,457.07)
	Inventory	11.09	134.90
		5,595.86	**(2,007.76)**
	Cash generated / (used) from operations	**7,639.74**	**(2,007.76)**
	Income taxes paid	43.64	(958.70)
A	**Net cash inflow / (outflow) from operating activities**	**7,596.10**	**(1,049.06)**
	Cash flow from investing activities:		
	Sale of Fixed Assets	2,795.22	2,282.75
	Purchase of Fixed Assets	(386.06)	(66.11)
	Sale of Investment	381.60	-
	Purchase of Investment	(1,239.11)	(189.12)
	Loans received / (given)	1,402.20	3,446.96
	Interest received	1,922.66	2,464.86
	Fixed Deposit	(0.47)	0.23
B	**Net cash inflow from investing activities**	**4,876.04**	**7,939.57**
	Cash flow from financing activities:		
	Interest paid	(2,326.55)	(4,200.32)
	Proceeds of Equity Shares	-	14.42
	Proceeds from Subordinated Debt	-	1,839.97
	Net Proceeds of Short Term Borrowings	(1,448.90)	2,140.83
	Net Repayment of Long Term Borrowings	(7,399.53)	(6,227.02)

Cash Flow Statement for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
C	**Net cash outflow from financing activities**	**(11,174.98)**	**(6,432.12)**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	**1,297.17**	**458.39**
	Add: Cash and cash equivalents at the beginning of the financial year	(44.62)	(503.01)
	Cash and cash equivalents at the end of the year	**1,252.55**	**(44.62)**
	Cash and cash equivalents at the end of the year		
	Cash and cash equivalents [See Schedule 5(d)]	742.01	647.16
	Bank Overdraft [See Schedule [11(a)]	-	(691.78)
	Investment in Liquid Funds [See Schedule 5(a)]	510.54	-
	Balance as per Statement of Cash Flow	**1,252.55**	**(44.62)**

The above statement of cash flows should be read in conjunction with the accompanying notes.

Change in Liability arising from financing activities

Particulars	As at March 31, 2017	Cash Flows	Non Cash Changes	As at March 31, 2018
Current Borrowings	14,209.21	(1,448.90)	-	12,760.31
Non Current Borrowings (including current maturities)	15,187.54	(7,418.18)	18.65	7,788.01

As per our Report of even date
For Viren Gandhi & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Chintan Gandhi
Partner

Sunil Biyani
Managing Director
DIN: 00006583

Vijai Singh Dugar
Chairman
DIN: 06463399

Pramod Arora
Whole Time Director
DIN: 02559344

Place: Mumbai
Date: May 25,2018

Pawan Agarwal
Chief Financial Officer

Anil Cherian
Company Secretary

Notes to financial statements for the year ended March 31, 2018

1. BACKGROUND

Future Market Networks Limited (The Company) is a public limited company incorporated in India under the provisions of Companies Act, 1956 and validly existing under Companies Act, 2013. Equity shares of the Company are listed with BSE Limited and National Stock Exchange of India Limited. The company is engaged in the business of building capacity and enabling the infrastructure for future markets in a more efficient and cost effective manner. It aims to create a network of new markets by integrating and better organizing the modern wholesale trade, retail and logistics infrastructure in India. The Company is currently managing approximately 1 million sq ft of retail space and owns various real estate properties across India.

2. Significant Accounting Policies:

a) Basis of preparation

i. Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

ii. Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value;
- assets held for sale measured at lower of carrying amount or fair value less cost to sell; and
- share-based payments

iii. Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

b) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term. Leasehold improvements are amortised over the period of lease or estimated useful life, whichever is lower.

Useful life considered for calculation of depreciation for various assets class are as follows-

• Leasehold Improvements	16 years
• Machinery	10 years
• Furniture, fittings and equipment	10 years
• Office and other equipments	5 Years
• Computers	3 Years

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

c) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the

Notes to financial statements for the year ended March 31, 2018

item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Freehold land is carried at cost. Investment properties are depreciated using the straight-line method over their estimated useful lives.

Useful life considered for calculation of depreciation for Freehold Building is as follows-

- Freehold buildings 60 years

d) Investments and other financial assets:

i. **Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The Classification depends on the entity's business model for managing the financial assets and the contractual term of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

ii. **Measurement of financial assets**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

Equity instruments

The Company subsequently measures all equity investments other than in subsidiaries, joint ventures and associates at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to Statement of Profit and Loss. Dividends from such investments are recognised in profit or loss as other income when the right to receive of the Company established.

iii. **Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 24 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv. **Derecognition of financial assets**

A financial asset is derecognised only when

- The company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

A financial liability is recognised when the obligation specified in the contract is discharged, completed or expired.

Notes to financial statements for the year ended March 31, 2018

e) Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

f) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

g) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

h) Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits with banks and short term highly liquid investments, which are readily convertible into cash and have original maturities of three months or less from the Balance Sheet date.

i) Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Recognising revenue from major business activities

Sale of Goods

Sales are recognized when significant risk and rewards of ownership of goods have passed to the buyer which coincides with the delivery and they are recorded net of trade discount, VAT and sales tax, Goods and service tax (GST).

Income from Services

Revenue from services rendered is recognized 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 recognized as unbilled revenue.

Lease rentals income is recognized in the Statement of Profit and Loss as per the terms of agreement which is representative of the time pattern of the user's benefit.

j) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement. Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal Company classified as held for sale continue to be recognised.

k) Employee Benefits:

Short term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees's service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Notes to financial statements for the year ended March 31, 2018

Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity; and

(b) Defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Re measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Share-based payments

Estimating fair values for share based payment transaction requires the most appropriate valuation model, which depends on the terms and conditions of the grant. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity settled transactions with employees at the grant date, the Company uses Black – Scholes model. The assumptions used for estimating the fair value for share based transactions are disclosed in Note 29.

I) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Notes to financial statements for the year ended March 31, 2018

m) Leases:

As a lessee

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

n) Foreign Currency transactions:

Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Indian rupee (INR), which is Future Market Network's Limited's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

o) Inventories:

Inventories which comprise of finished stock of completed projects are valued at lower of cost or net realizable value. Cost is determined by including cost of land (including development rights), internal development cost, external development charges, materials, services, related overheads and apportioned borrowing costs.

p) Investments in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

q) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares (note 26).

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

r) Segment Reporting:

The Company is primarily engaged in the activity of mall management business and considers it to be a single reportable business segment. The operations of the Company are within the geographical territory of India which is considered as a single geographical segment. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Managing Director, who has been identified as being the chief operating decision maker, assesses the financial performance and position of the company, and makes strategic decisions. Refer note 25 for segment information presented.

s) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Notes to financial statements for the year ended March 31, 2018

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

t) Borrowing costs

Borrowing costs directly attributable to the acquisition and construction of an asset which takes a substantial period of time to get ready for its intended use are capitalized as a part of the cost of such assets, until such time the asset is substantially ready for its intended use. All other borrowing costs are recognized in the Statement of Profit and Loss in the period they occur. Borrowing costs consist of interest and other costs incurred in connection with borrowing of funds.

Other borrowing costs are expensed in the period in which they are incurred.

u) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The increase in the provision due to the passage of time is recognised as interest expense. Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

w) Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal and actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

- Estimation of defined benefit obligation (Note no 14)
- Estimation of current tax expense and payable (Note no 6)
- Estimated Fair value of unlisted securities – (Note 23)

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

x) Recent accounting pronouncements

Ind AS 115

In March 2018, the Ministry of Corporate Affairs as notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after April 1, 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions.

The model specifies that revenue should be recognized when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from April 1, 2018.

The standard permits two possible methods of transition:

Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant"

Notes to the financial statements for the year ended March 31, 2018

3. Property, Plant and Equipment

	Leasehold Improvements	Air Conditioner	Computers	Furniture and fittings	Office and Other Equipments	Plant and Machinery	Vehicles	Total	Capital work-in-progress
Year ended March 31, 2017									
Gross carrying amount									
Opening gross carrying amount	6,912.27	2,303.55	24.33	4,912.48	154.38	4,980.32	0.21	**19,287.54**	946.72
Additions	-	13.40	2.47	3.42	1.82	-	-	**21.11**	-
Disposal/Transfer	-	-	-	-	-	-	-	**-**	
Assets classified as held for sale	-	(279.75)	(1.92)	(513.96)	(9.18)	(567.33)	(0.20)	**(1,372.34)**	(946.72)
Closing gross carrying amount	**6,912.27**	**2,037.20**	**24.88**	**4,401.94**	**147.02**	**4,412.99**	**0.01**	**17,936.31**	**-**
Accumulated depreciation									
Opening accumulated depreciation	617.90	351.05	7.70	730.64	87.49	715.71	-	**2,510.49**	-
Depreciation charge during the year	752.29	325.43	4.62	679.19	41.42	656.19	-	**2,459.14**	-
Depreciation related to Assets classified as held for sale	-	(47.90)	-	(105.57)	(5.82)	(112.79)	-	**(272.08)**	
Closing accumulated depreciation	**1,370.19**	**628.58**	**12.32**	**1,304.26**	**123.09**	**1,259.11**	**-**	**4,697.55**	**-**
Net carrying amount	**5,542.08**	**1,408.62**	**12.56**	**3,097.68**	**23.93**	**3,153.88**	**0.01**	**13,238.76**	**-**
Year ended March 31, 2018									
Gross carrying amount									
Opening gross carrying amount	6,912.27	2,037.20	24.88	4,401.94	147.02	4,412.99	0.01	**17,936.31**	-
Additions	-	4.10	1.21	-	0.72	380.04	-	**386.07**	
Disposal/Transfer	-	-	-	(211.61)	-	(369.10)	-	**(580.71)**	
Closing gross carrying amount	**6,912.27**	**2,041.30**	**26.09**	**4,190.33**	**147.74**	**4,423.93**	**0.01**	**17,741.67**	**-**
Accumulated depreciation									
Opening accumulated depreciation	1,370.19	628.58	12.32	1,304.26	123.09	1,259.11	-	**4,697.55**	
Depreciation charge during the year	752.29	317.00	3.53	645.85	6.61	636.63	-	**2,361.91**	
Depreciation related to Disposal/Transfer	-	-	-	(126.81)	-	(229.93)	-	**(356.74)**	
Closing accumulated depreciation	**2,122.48**	**945.58**	**15.85**	**1,823.30**	**129.70**	**1,665.81**	**-**	**6,702.72**	**-**
Net carrying amount	**4,789.79**	**1,095.72**	**10.24**	**2,367.03**	**18.04**	**2,758.12**	**0.01**	**11,038.95**	**-**

(i) Property, plant and equipment pledged as security

Refer to note 28 for information on property, plant and equipment pledged as security by the company.

4. Investment Properties

	Freehold Land	Building	Total
Year ended March 31, 2017			
Gross carrying amount			
Opening gross carrying amount	69.94	14,970.85	**15,040.79**
Assets classified as held for sale	-	(7,282.10)	**(7,282.10)**
Closing gross carrying amount	**69.94**	**7,688.75**	**7,758.69**
Accumulated depreciation			
Opening accumulated depreciation	-	172.25	**172.25**
Depreciation charge during the year	-	154.75	**154.75**
Depreciation related to Assets classified as held for sale	-	(172.68)	**(172.68)**
Closing accumulated depreciation	**-**	**154.32**	**154.32**

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

	Freehold Land	Building	Total
Net carrying amount	**69.94**	**7,534.43**	**7,604.37**
Year ended March 31 2018			
Gross carrying amount			
Opening gross carrying amount	**69.94**	**7,688.75**	**7,758.69**
Additions	-	-	**-**
Disposal/Transfer	-	(11.84)	**(11.84)**
Closing gross carrying amount	**69.94**	**7,676.91**	**7,746.85**
Accumulated depreciation			
Opening accumulated depreciation	**-**	**154.32**	**154.32**
Depreciation charge during the year	-	124.50	**124.50**
Depreciation related to Disposal/Transfer	-	(0.36)	**(0.36)**
Closing accumulated depreciation	**-**	**278.46**	**278.46**
Net carrying amount	**69.94**	**7,398.45**	**7,468.39**

(i) Investment Properties pledged as security

Refer to note 28 for information on asset pledged as security by the company.

(i) Amounts recognised in profit or loss for investment properties

	As at March 31, 2018	As at March 31, 2017
Rental income	846.33	683.27
Direct operating expenses from property that generated rental income	68.87	68.46
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment properties before depreciation	777.46	614.81
Depreciation	124.50	154.75
Profit from investment properties	652.96	460.06

(ii) Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly.

Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

	As at March 31, 2018	As at March 31, 2017
Within one year	627.67	675.64
Later than one year but not later than 5 years	2,053.08	2,491.53
Later than 5 years	-	110.00
Total	**2,680.75**	**3,277.17**

(iii) Fair value

	As at March 31, 2018	As at March 31, 2017
Investment properties	36,717.03	36,397.54

Estimation of fair value

Estimation of fair value - The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex,age of building and trend of fair market rent in respective area. This valuation is based on valuations performed by an accredited independent valuer. Fair valuation is based on replacement cost method.

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

5(a). Investments

	As at March 31, 2018	As at March 31, 2017
a. Investment in subsidiaries		
Unquoted		
1,00,000 Equity Shares of Aashirwad Malls Private Limited	570.56	570.56
11,36,600 Equity Shares of Sun City Properties Private Limited	1,295.52	1,295.52
8,47,356 Equity Shares of Suhani Mall Management Company Private Limited	2,023.52	2,023.52
6,58,030 Equity Shares of Future Trade Markets Private Limited - Note (ii)	4,019.44	-
1,50,00,000 Equity Shares of Future Retail Destination Limited	1,500.00	-
1,08,62,500 Equity Shares of Gati Realtors Private Limited - Note (i)	1,085.68	-
b. Investment in joint venture		
Unquoted		
6,589 Equity Shares of Riddhi Siddhi Mall Management Private Limited	698.14	698.14
1,50,00,000 Equity Shares of Future Retail Destination Limited	-	1,500.00
25,000 Equity Shares of Utility Developers Private Limited	2.50	2.50
15,000 Equity Shares of Star Shopping Centres Private Limited	1.50	1.50
6,14,161 Equity Shares of Future Trade Markets Private Limited	-	3,866.00
Total (a+b)	**11,196.86**	**9,957.74**
c. Investment in preference shares of joint venture		
Unquoted		
257 0.01% Non Cumulative Optionaly Convertible Preference Shares of Riddhi Siddhi Mall Management Private Limited of ₹ 1,000/- each fully paid up.	931.64	931.64
Total (c)	**931.64**	**931.64**
d. Investment in equity instruments		
Fair value through other comprehensive income		
Unquoted		
11,425 Equity Shares of V.R.Procurement Corporation Private Limited	23.02	23.88
10,000 Equity Shares of Navika Developers Private Limited	1.00	1.00
10,000 Equity Shares of Shreya Mall Management Private Limited	1.00	1.00
10,000 Equity Shares of Ujjain Future Bazaar Private Limited	1.04	1.09
10,000 Equity Shares of Harmony Malls Mangement Private Limited	1.00	1.00
10,000 Equity Shares of Precision Realty Developers Private Limited	1.38	1.25
60,000 Equity Shares of Acute Realty Private Limited	349.15	379.60
Nil (2017:1000) Equity Shares of F R Retail Destination Private Limited	-	0.10
10,000 Equity Shares of Niyman Mall Management Company Private Limited	11.55	11.83
10,000 Equity Shares of Ojas Mall Management Private Limited	1.06	1.02
10,000 Equity Shares of Nishta Mall Management Company Private Limited	230.75	221.88
1,30,000 Equity Shares of Unique Malls Private Limited	223.95	233.55
Total (d)	**844.90**	**877.20**
Non-current investments total (a+b+c+d)	**12,973.40**	**11,766.58**
Aggregate amount of unquoted investments	**12,973.40**	**11,766.58**
Current		
UTI - Floating Rate Fund	510.54	-
Current investments total	**510.54**	**-**

(i) During the Financial Year 2017-18, the Company has acquired 100% shares of Gati Realtors Private Limited

(ii) Further, the Company also acquired 100% stake in Future Trade Markets Private Limited (erstwhile Joint Venture Limited) by purchasing the balance 43,869 shares from the other co-venturer.

Refer Note 27 on Acquisition of Subsidiaries

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

5(b). Trade receivables

	As at March 31, 2018	As at March 31, 2017
Trade receivables		
Related Parties	507.31	-
Others	1,157.39	1,446.18
Total	**1,664.70**	**1,446.18**
Less: Allowance for bad and doubtful debts	(91.32)	(84.62)
Total Trade receivables	**1,573.38**	**1,361.56**
Breakup of securities details		
Secured, considered good	-	-
Unsecured, considered good	1,587.14	1,375.31
Doubtful	77.56	70.87
Total	**1,664.70**	**1,446.18**
Less: Allowance for doubtful debts	(91.32)	(84.62)
Total trade receivables	**1,573.38**	**1,361.56**

Refer to note 28 for information on trade receivables pledged as security by the company.

5(c). Loans

	As at March 31, 2018	As at March 31, 2017
Non Current		
Security Deposits	1,739.15	1,756.48
Loans and advances to others	1,618.92	2,518.05
Advance against purchases of shares	900.00	650.00
Total Non current loans and advances	**4,258.07**	**4,924.53**
Current		
Security Deposits	243.56	64.51
Loans and advances	6,447.13	6,795.33
Loans and advances to related parties	873.40	983.25
Total current loans and advances	**7,564.09**	**7,843.09**

5(d). Cash and cash equivalents

	As at March 31, 2018	As at March 31, 2017
Cash on hand	0.84	0.89
Balances with Banks		
In current accounts	741.17	646.27
Total Cash and cash equivalents	**742.01**	**647.16**

5(e). Bank Balances other than above

	As at March 31, 2018	As at March 31, 2017
Fixed Deposit*	6.50	6.50
Interest accrued on fixed deposit	0.65	0.18
Total Bank Balances other than above	**7.15**	**6.68**

*** Lien against Bank Guarantee**

5(f). Other financial assets

	As at March 31, 2018	As at March 31, 2017
Other current financial assets		
Considered good		
Unbilled Revenue	141.27	6.81
Advance to Staff	16.34	7.80
Total current financial assets	**157.61**	**14.61**

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

6. Current and deferred tax

6(a) Statement of profit and loss:

	March 31, 2018	March 31, 2017
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total current tax (expense)	-	-
Deferred tax		
Decrease (increase) in deferred tax assets	367.20	52.80
(Decrease) increase in deferred tax liabilities		-
Total deferred tax expense/(benefit)	367.20	52.80
Income tax expense	**367.20**	**52.80**

6(b) The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

	March 31, 2018	March 31, 2017
Profit from operation before income tax expenses	547.48	(2,353.29)
Tax rate @33.063%	181.01	(778.06)
Differences due to:		
Permanent Differences	2.25	27.98
Standard Deduction on Rental Income	(134.87)	(116.25)
Adjustment related to Unabsorbed Tax Losses	322.61	1,070.11
Others	(3.80)	(150.98)
Income tax expenses	**367.20**	**52.80**

6(c) Tax losses

Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the company

	March 31, 2018	March 31, 2017
Unused tax losses for which no deferred tax asset has been recognised	3,571.57	2,584.19
Potential tax benefit @ 33.063%	1,180.87	854.41

6(d) Deferred tax assets (net)

	March 31, 2018	March 31, 2017
Deferred tax assets		
Unabsorbed Tax Losses	5,027.86	5,027.86
Defined befefit obligation	-	-
Provisions	12.47	8.62
Fair valuation of financials assets-P&L (Net)	133.67	381.95
Fair valuation of financials assets-OCI (Net)	155.66	154.03
Property Plant & Equipment	1,094.94	1,218.62
MAT credit entitlement	679.17	679.17
Freehold Land	8.33	7.41
Deferred tax liabilities		
Defined benefit obligation	(1.90)	(1.48)
Total deferred tax assets (net)	**7,110.20**	**7,476.18**

6(e) Movement in deferred tax liabilities

	Provisions	Unabsorbed Tax Losses	Fair valuation of financial asstes	Property Plant & Equipment	Freehold Land	MAT credit entitlement	Total
At March 31, 2016	**7.89**	**5,138.65**	**572.85**	**1,058.16**	**6.22**	**679.17**	**7,462.94**
(Charged)/credited:							
- to profit or loss	1.41	(110.79)	(105.08)	160.47	1.19	-	(52.80)
- to other comprehensive income	(2.16)	-	68.20	-	-	-	66.04
At March 31, 2017	**7.14**	**5,027.86**	**535.97**	**1,218.63**	**7.41**	**679.17**	**7,476.18**

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

(Charged)/credited:							
- to profit or loss	3.85	-	(248.28)	(123.69)	0.92	-	(367.19)
- to other comprehensive income	(0.41)	-	1.63	-	-	-	1.22
At 31 March 2018	**10.58**	**5,027.86**	**289.32**	**1,094.94**	**8.33**	**679.17**	**7,110.20**

7. Other assets

	As at March 31, 2018	As at March 31, 2017
Other non-current assets		
Business Advance - Related Party	171.91	240.68
Capital Advance	3,355.00	3,650.00
Balances with Govt. Authorities	397.68	351.39
Prepaid Expense	340.34	384.15
Total Other Non-current assets	**4,264.93**	**4,626.22**
Other current assets		
Security Deposits	5.86	5.86
Business Advance	1,605.56	1,505.78
Balances with Govt. Authorities	-	0.30
Prepaid Expense	65.37	159.82
Total Other current assets	**1,676.79**	**1,671.76**

8. Inventories

	As at March 31, 2018	As at March 31, 2017
Finished Shops	918.71	929.80
Total Inventories	**918.71**	**929.80**

9. Assets classified as held for sale

	As at March 31, 2018	As at March 31, 2017
Buildings	6,277.75	7,708.03
Investments	-	78.00
Total	**6,277.75**	**7,786.03**

In July 2016, the Board of directors resolved to dispose 10 Acres Mall situated at Ahmedabad which is vested with the Company through an approved scheme of amalgamation. The buyer has been identified and the part of the property has been transferred. The balance sale portion is expected to be completed within next 12 months. The asset is presented separately under assets held for sale

Non-recurring fair value measurements

Assets classified as held for sale during the reporting period was measured at the lower of its carrying amount and fair value less costs to sell at the time of the reclassification. The fair value of the assets was based on the proposed sales considertion negotiated with the buyer.

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

10(a). Equity Share capital

	As at March 31, 2018	As at March 31, 2017
Authorised		
90,260,000 Equity Shares [March 31, 2017: 90,260,000] of ₹ 10/- each	9,026.00	9,026.00
5,000 Preference Shares [March 31, 2017: 5,000] of ₹ 100/- each	5.00	5.00
Total	**9,031.00**	**9,031.00**
Issued Capital*		
56,291,851 Equity Shares [March 31, 2017: 56,291,851] of ₹ 10/- each	5,629.19	5,629.19
Total	**5,629.19**	**5,629.19**

*includes 570 shares held in abeyance

	As at March 31, 2018	As at March 31, 2017
Subscribed and paid up		
56,291,281 Equity Shares [March 31, 2017: 56,291,281] of ₹ 10/- each	5,629.13	5,629.13
Total	**5,629.13**	**5,629.13**

a) Movements in Equity Share Capital

	As at March 31, 2018		As at March 31, 2017	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	56,291,281	5,629.13	56,171,156	5,617.12
Add: ESOP shares issued during the year	-	-	120,125	12.01
Balance as at the end of the year	**56,291,281**	**5,629.13**	**56,291,281**	**5,629.13**

Terms and Rights attached to equity shares:-

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder is eligible to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. 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 of their shareholding.

Equity shares allotted as fully paid-up (during 5 years preceding March 31, 2018) including equity shares issued pursuant to contract without payment being received in cash

(i) In Financial Year 2015 -16 - Allotted 3,16,750 equity shares of ₹ 10/- each under FMNL - ESOS 2012 on December 11, 2015.

(ii) In Financial Year 2016 -17 - Allotted 1,20,125 equity shares of ₹ 10/- each under FMNL - ESOS 2012 on December 14, 2016.

b) Details of shares held by shareholders holding more than 5% of the agrregate equity shares in the company.

	As at March 31, 2018		As at March 31, 2017	
	Number of shares	% held	Number of shares	% held
Suhani Trading and Investment Consultants Private Limited	41,129,343	73.06%	-	-
Manz Retail Private Limited	-	-	16,430,824	29.19%
Future Corporate Resources Limited	-	-	15,176,754	26.96%
Weavette Business Ventures Limited	-	-	8,563,367	15.21%
Ishbhoomi Fabtraders Private Limited	4,309,260	7.66%	4,615,516	8.20%
	45,438,603	**80.72%**	**44,786,461**	**79.56%**

Pursuant to the scheme of amalgamation of Manz Retail Private Limited, ESES Commercials Private Limited, PIL Industries Limited, Future Corporate Resources Limited, Gargi Business Ventures Private Limited, Weavette Business Ventures Limited with Suhani Trading and Investment Consultants Private Limited and their respective shareholders sanctioned by the National Company Law Tribunal, Mumbai Bench vide order dated October 18, 2017 and filed with ROC on November 14, 2017, the shares held by transferor companies in Future Market Networks Ltd now vested with Suhani Trading and Investment Consultants Private Limited.

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

10(b). Other Equity

	As at March 31, 2018	As at March 31, 2017
Reserve and surplus		
Capital Reserve	7,474.75	7,474.75
Securities Premium	25,291.33	25,291.33
Share Option Outstanding Account	-	-
Retained Earnings	(19,031.64)	(19,212.75)
Subordinated Debt*	4,905.97	4,905.97
Other Reserves	(4,888.41)	(4,857.88)
Total	**13,751.99**	**13,601.42**

* The subordinated debt represents loan taken from Suhani Trading & Investment Consultants Private Limited

	As at March 31, 2018	As at March 31, 2017
(i) Capital Reserve		
Opening Balance	7,474.75	7,474.75
Movement during the year	-	-
Closing Balance	**7,474.75**	**7,474.75**
(ii) Securities Premium		
Opening Balance	25,291.33	25,267.13
Exercise of options	-	21.80
Share issued	-	2.40
Utilized during the year	-	-
Closing Balance	**25,291.33**	**25,291.33**
(iii) Share Option Outstanding Account		
Opening Balance	-	19.69
Add:Employee Stock option expenses	-	2.11
Less:Exercise of option	-	(21.80)
Closing Balance	**-**	**-**
(iv) Retained Earnings		
Opening Balance	(19,212.75)	(16,811.03)
Add: profit for the year	180.28	(2,406.09)
Items of other comprehensive income recognised directly in retained earnings:	-	-
Remeasurements of post-employment benefit obligation	1.24	6.52
Deferred tax (Acturial Gains)	(0.41)	(2.15)
Closing Balance	**(19,031.64)**	**(19,212.75)**

	As at March 31, 2018	As at March 31, 2017
Other Reserves		
Opening Balance	(4,857.88)	(4,719.82)
Change in fair value of FVOCI equity instruments	(32.16)	(206.26)
Deferred tax (Fair Value)	1.63	68.20
Closing Balance	**(4,888.41)**	**(4,857.88)**

Nature and purpose of other reserves

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

FVOCI equity investments

The company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Share options outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under Future Market Networks Limited Employee stock option plan.

11(a). Borrowings

	As at March 31, 2018	As at March 31, 2017
Non current Borrowing		
Secured		
Term loans from banks	7,788.01	15,187.53
Total Non current Borrowing	**7,788.01**	**15,187.53**
Less: Current Maturities of long term borrowing	(4,282.50)	(7,422.60)
Non current borrowings	**3,505.51**	**7,764.93**

Secured borrowings and assets pledged as security

Sr. No	Nature of security	Terms of Repayment
1	Term Loan from Bank balance outstanding amounting to ₹ NIL lakhs (March 31, 2017 : ₹ 750.00 lakhs) is secured by First Pari Passu charge on all the current assets at the Malls of the Company (b) Hypothecation of all the movable properties at the Malls of the Company (c) First Pari Passu charge / assignment of all the revenues and receivables, trust and retention account and any other bank account of the Malls of the company (d) Personal Guarantee of the Promoters	Repayable in 20 quarterly installments starting from Dec 2012. Last installment due in Sep. 2017. Rate of interest - 4% above the Base Rate (Previous Year Effective Rate - 13.55%)
2	Term Loan from Bank balance outstanding amounting to ₹ 1,304.01 lakhs (March 31, 2017 : ₹ 5,972.19 lakhs) are secured by are secured by (a) Charge on Assets of ₹ 10,500 Lakhs created out of the proposed Term Loan. (b) First Pari Passu Charge on the movable fixed assets pertaining to the mall management division of the company amounting to ₹10,000 lakhs (c) Second Pari Passu charge on the immovable property owned by M/s Bansi Mall Management Company Private Limited (d) Personal Guarantee of the Promoters	Repayable in 14 quarterly installments starting from March 2015. Last installment due in June 2018. Rate of interest - MCLR (1 Year) +4% = 12.40% (Previous Year - 13.70% p.a.)
3	Term Loan from Bank balance outstanding amounting to ₹6,500.00 lakhs (March 31, 2017 : ₹ 8,500.00 lakhs) are secured by (a) Charge on Assets created out of the proposed Term Loan. (b) First pari pasu charge on the immovable property owned by Bansi Mall Management Company Private Limited Located at SOBO Central Mall (c) Corporate Guarantee of Bansi Mall Management Company Private Limited (d) Personal Guarantee of the Promoters	Repayable in 16 quarterly installments starting from June 2016. Last installment due in June 2020. Rate of interest - MCLR (1 Year) + 3.75 Present Effective Rate - 12.35%.p.a. (12.35% p.a)

	As at March 31, 2018	As at March 31, 2017
Current Borrowing		
Secured		
Bank Overdraft	-	691.78
Unsecured		
Loans from related party	12,760.30	-
Other Loans	-	14,209.20
Total Current Borrowing	**12,760.30**	**14,900.98**

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

Secured borrowings and assets pledged as security

i) Bank overdraft (for previous year) secured by first and pari-passu hypothecation charge of all existing and future current assets including receivables of the borrower and personal guarantee of shareholder

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in note 28

11(b). Other Non-current financial liabilities

	As at March 31, 2018	As at March 31, 2017
Security deposits:		
From Related Parties	262.43	-
From Others	8,633.25	3,853.41
Total Non-current financial liabilities	**8,895.68**	**3,853.41**

Other Current financial liabilities

	As at March 31, 2018	As at March 31, 2017
Security deposits:		
From Related Parties	29.04	-
From Others	3,264.07	2,995.71
Total	**3,293.11**	**2,995.71**
Current Maturities of Long-Term Borrowings	4,282.50	7,422.60
Advance received against sale of Investment	-	200.00
Corpus Funds	14.78	19.32
Other payables (Retention Money)	4.24	9.96
Total Current financial liabilities	**7,594.63**	**10,647.59**

11(c). Trade payables

	As at March 31, 2018	As at March 31, 2017
Trade payables :		
Related Parties	39.22	-
Others	1,308.37	1,595.28
Total Trade payables	**1,347.59**	**1,595.28**

12. Employee benefit obligations

	As at March 31, 2018	As at March 31, 2017
Non current Employee benefit obligations		
Gratuity	21.09	13.64
Leave entitlement	10.42	7.62
Total Non current Employee benefit obligations	**31.51**	**21.26**
Current Employee benefit obligations		
Gratuity	0.30	0.20
Leave entitlement	0.20	0.14
Total current Employee benefit obligations	**0.50**	**0.34**

13. Other liabilities

	As at March 31, 2018	As at March 31, 2017
Non-current		
Deferred Rent Income	572.19	672.52
Total Other Non-current liabilities	**572.19**	**672.52**

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
Current		
Statutory dues (including provident fund, tax deducted at source and others)	253.19	182.04
Advance from customers	10,680.92	10,087.79
Deferred Rent Income	1,139.36	478.82
Other payables	379.47	461.82
Total Other current liabilities	**12,452.94**	**11,210.47**

14. Disclosure as per Indian Accounting Standard 19 - Employee Benefits

Defined Contribution Plan

Provident Fund

The contributions to the Provident Fund of the employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution. Employer's Contribution to Provident Fund amounting to ₹16.21 Lakhs (previous year ₹12.99 Lakhs) has been recognized as an expense in the Statement of Profit and Loss.

Defined Benefit Plan

Gratuity

The Company operates a gratuity plan administered by LIC. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or company scheme whichever is beneficial. The same is payable at the time of separation from the company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Gratuity	
	As at March 31, 2018	As at March 31, 2017
Opening defined benefit obligation	**13.85**	**15.24**
Current service cost	7.78	5.08
Interest expense/(income)	1.02	1.16
Total amount recognised in profit and loss	**8.80**	**6.24**
Remeasurements		
(Gain)/loss from change in financial assumptions	(0.81)	1.04
Experience (gains)/losses	(0.44)	(7.56)
Total amount recognised in other comprehensive income	**(1.25)**	**(6.52)**
Employer contributions	-	(1.11)
Closing defined benefit obligation	**21.40**	**13.85**

The net liability disclosed above relates to unfunded plans are as follows:

	Gratuity	
	As at March 31, 2018	As at March 31, 2017
Defined benefit obligation	21.40	13.85
Fair value of plan assets	-	-
Surplus /(Deficit)	**21.40**	**13.85**
Effect of assets ceiling	-	-
Net Defined Benefit Liability/(Assets)	**21.40**	**13.85**

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

Significant estimates: Actuarial assumptions

The significant actuarial assumptions were as follows:

	Gratuity	
	As at March 31, 2018	**As at March 31, 2017**
Financial Assumptions		
Discount rate	7.70%	7.40%
Salary growth rate	5.00%	5.00%
Demographic Assumptions		
Mortality Rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
Withdrawal Rate	1.00%	1.00%
Retirement age	58 years	58 years

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Gratuity	
	As at March 31, 2018	**As at March 31, 2017**
Discount rate		
a. Discount rate -100 basis point	24.22	15.81
b. Discount rate+100 basis point	18.98	12.16
Salary growth rate		
a. Rate -100 basis point	18.90	12.50
b. Rate+100 basis point	24.00	15.38

Expected Future Cash Flows

	As at March 31, 2018	**As at March 31, 2017**
Year 1	0.31	0.20
Year 2	0.33	0.22
Year 3	1.32	0.26
Year 4	0.45	0.53
Year 5	0.47	0.33
Year 6 to 10	2.88	2.15

15. Revenue from Operations

	Year ended March 31, 2018	**Year ended March 31, 2017**
Sales	52.01	469.86
Less: Vat / Sales Tax	-	1.07
	52.01	**468.79**
Rent and other related revenues	7,889.42	7,774.43
Project Mangement Consultancy	-	6.84
Total	**7,941.43**	**8,250.06**

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

16. Other income

	Year ended March 31, 2018	Year ended March 31, 2017
Interest income		
On bank deposits	0.58	0.46
On others	1,922.08	2,464.41
Income From Debtors Assignment	123.00	-
Profit on sale of Fixed Assets	1,129.51	325.08
Profit on sale of Investments	307.80	-
Fair Valuation of Investments	7.86	-
Excess Provision Written Back	-	507.90
Sale of Scrap	-	9.52
Miscellaneous Income	5.43	31.16
Total	**3,496.26**	**3,338.53**

17. Operating Cost

	Year ended March 31, 2018	Year ended March 31, 2017
Mall Maintenance Charges	121.05	170.06
Rent	4,747.60	4,579.30
Total	**4,868.65**	**4,749.36**

18. Cost of Units sold

	Year ended March 31, 2018	Year ended March 31, 2017
Cost of units sold	39.28	384.66
Total	**39.28**	**384.66**

19. Employee benefits expense

	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, Wages and Bonus	436.87	433.95
Contribution to Provident and Other Funds	30.09	24.18
Employees stock option scheme	-	1.89
Staff Welfare Expenses	2.86	7.61
Total	**469.82**	**467.63**

20. Finance costs

	Year ended March 31, 2018	Year ended March 31, 2017
Interest Expenses	2,309.09	4,193.65
Other Borrowing costs	17.45	6.67
Total	**2,326.54**	**4,200.32**

21. Depreciation and amortization expense

	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on Property, Plant and Equipment	2,361.91	2,459.14
Depreciation on Investment property	124.50	154.75
Total	**2,486.41**	**2,613.89**

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

22. Other expenses

	Year ended March 31, 2018	Year ended March 31, 2017
Power and Fuel	192.12	45.53
Repairs and Maintenance - Others	81.30	71.59
Auditors' Remuneration		
Statutory Audit Fees	5.00	5.00
Tax Audit Fees	0.50	0.50
Other Services	0.90	2.05
Rates and Taxes	100.46	471.37
Insurance	14.99	17.11
Legal and Professional Fees	133.83	190.73
Listing Fees/Custodian Charges	10.70	9.51
Director Sitting Fees	11.05	11.10
Provision for Doubtful Debts	32.59	-
Travelling and Conveyance Expenses	21.47	16.70
Bad Debts	-	203.84
Water Charges	9.34	13.43
Other Expenses	85.26	59.99
Loss on discard of fixed assets	-	407.57
Total	**699.51**	**1,526.02**

23. Fair value measurements

23(a) Financial instruments by category

	March 31, 2018			March 31, 2017		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity Instruments	-	844.90	-	-	877.20	-
- Mutual Funds	510.54	-	-	-	-	-
Loans	-	-	11,822.16	-	-	12,767.62
Trade receivables	-	-	1,573.38	-	-	1,361.56
Cash and cash equivalents	-	-	742.01	-	-	647.16
Bank Balances other than above	-	-	7.15	-		6.68
Other financial assets	-	-	157.61	-		14.61
Total financial assets	**510.54**	**844.90**	**14,302.31**		**877.20**	**14797.63**
Financial liabilities						
Borrowings	-	-	16265.81	-	-	22,665.91
Deposits from customer	-	-	8,895.68	-	-	3,853.41
Other financial liabilities	-	-	7,594.63	-	-	10,647.59
Trade payables	-	-	1,347.59	-	-	1,595.28
Total financial liabilities	**-**	**-**	**34,103.71**		**-**	**38,762.19**

23(b) Fair value hierarchy

Investment in Mutual Funds which are measured at Fair Value through Profit andf Loss Account are measured under Level 1.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed are calculated under Level 3 except loans and security deposits which is measured at Level 2.

Investment in Equity Shares which are measured at Fair Value through Other Comprehensive Income are measured under Level 3.

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended March 31, 2018:

	Investment in- Equity instruments
As at March 31, 2016	**1,083.44**
Conversion of loan into equity shares	-
Gains/(losses) recognised in Other Comprehensive Income	(206.26)
As at March 31, 2017	**877.18**
Sale of Investment	(0.10)
Gains/(losses) recognised in Other Comprehensive Income	(32.16)
As at March 31, 2018	**844.92**

Valuation processes

The Company has obtained assistance of independent and competent third party valuation experts to perform the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the Company and the valuer on periodic basis. Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

23(c) Fair value of financial assets and liabilities measured at amortised cost

	March 31, 2018		March 31, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Loans	11,822.16	11,867.35	12,767.62	12,851.89
Total financial assets	**11,822.16**	**11,867.35**	**12,767.62**	**12,851.89**
Financial liabilities				
Borrowings	16,265.81	16,265.81	22,665.91	22,665.91
Deposits from customer	8,895.68	9,000.81	3,853.41	3,927.15
Total financial liabilities	**25,161.49**	**25,266.62**	**26,519.32**	**26,593.06**

The following methods and assumptions were used to estimate the fair values:

1. Fair value of trade receivables, trade payables, cash and cash equivalent, Bank balances other than above, other financial assets and other financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.
2. The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 2 in the fair value hierarchy due to the inclusion of observable inputs.
3. The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.
4. For financial assets and liabilities that are measured at fair value, the carriying amounts are equal to the fair values.
5. The fair value of the long-term Borrowings with floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company borrowing (since the date of inception of the loans). Further, the Company has no long-term Borrowings with fixed rate of interest.

   The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

   Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

   Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

   Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

24. Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk are reviewed regularly to reflect changes in market conditions and the company's activities.

A. Market risks

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. The company is not exposed to any foreign currency risk as neither operates internationally nor has any foreign currency transaction.

(a) Price Risk - Exposure:

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through OCI. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

	March 31, 2018	March 31, 2017
BSE Sensex 30- Increase 5%	25.53	-
BSE Sensex 30- Decrease 5%	(25.53)	-

Above referred sensitivity pertains to investment in quoted securities . Profit for the year would increase/(decrease) as a result of gains/ (losses) on the same as at fair value through profit or loss.

(b) *Interest rate risk*

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

	March 31, 2018	March 31, 2017
Variable rate borrowings	7,788.01	15,879.31
Percentage of variable rate borrowings to total borrowings	38%	53%
Total borrowings	**20,548.32**	**30,088.52**

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	March 31, 2018	March 31, 2017
Interest rates – increase by 50 basis points*	(38.94)	(79.40)
Interest rates – decrease by 50 basis points*	38.94	79.40

**Holding all other variables constant*

B. Credit Risks

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management.

The Company measures the expected credit loss of trade receivables and loan & advances customers wise based on historical trend. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, adequate provision for the loss on collection of receivable has been made.

Movement in provisions of doubtful debts

	As at March 31, 2018	As at March 31, 2017
Opening provision	**84.62**	**666.64**
Add:- Additional provision made	32.59	-
Less:- Provision write off	25.90	74.12
Less:- Provision reversed	-	507.90
Closing provisions	**91.31**	**84.62**

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

C. Liquidity Risk:

Liquidity risk is the risk that the company will face in meeting its obligations associated with its financial liabilities. The company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the company's credit rating and impair investor confidence.

The following table shows the maturity analysis of the company's financial liabilities based on contractually agreed undiscounted cash flows as at the balance sheet date:

Maturity patterns of liabilities:

	Less than 12 months	More than 12 months	Total
As at March 31, 2018			
Trade payables	1,347.59	-	**1,347.59**
Borrowings	12,760.30	3,521.51	**16,281.81**
Other Financial liabilities	7,594.63	10,784.78	**18,379.41**
Other Non Financial liabilities	11,313.58	-	**11,313.58**
As at March 31, 2017			
Trade payables	1,595.28	-	**1,595.28**
Borrowings	14,900.98	7,799.58	**22,700.56**
Other Financial liabilities	10,647.59	5,214.23	**15,861.82**
Other Non Financial liabilities	10,731.63	-	**10,731.63**

D. Capital Management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company does not distribute dividends to the shareholders.

25. Segment information

In accordance with the Accounting Standard Ind-AS 108 - Operating Segment, segment information has been given in the consolidated financial statements of Future Market Networks Limited, no separate disclosure of segment reporting is required in these financial statements.

26. Earnings per share

		As at March 31, 2018	As at March 31, 2017
(a)	***Basic and diluted earnings per share***		
	Profit attributable to the equity holders of the company	180.28	(2,406.09)
	Total basic earnings per share attributable to the equity holders of the company (in ₹)	0.32	(4.28)
(b)	***Diluted earnings per share***		
	Profit attributable to the equity holders of the company	180.28	(2,404.19)
	Total diluted earnings per share attributable to the equity holders of the company (in ₹)	0.32	(4.28)
(c)	***Weighted average number of shares used as the denominator***		
	Weighted average number of equity shares used as the denominator in calculating basic earnings per share	56,291,281	56,206,700
	Weighted average number of equity shares used as the denominator in calculating basic earnings per share	56,291,281	56,206,700

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

27. Acquisition of Subsidiaries:

a. Gati Realtors Private Limited:

On August 14, 2017 the company has accquired 10,000 Equity Shares of Gati Realtors Private Limited, being 100% shareholding of the company.

Subsequent to the accquisition of the 100% equity holding, during the year additional 10,852,500 shares were issued to the company at FV of ₹10/- resulting in a total investment of ₹ 1,085.68 Lakhs

The acquisition of the specified assets referred to as " Business Combination" under Ind AS 103.

Total Purchase Consideration transferred:- ₹ 0.42 Lakhs (entire cash) upon accquidition

The fair value of net assets acquired as at the date of acquisition were ₹ 0.42 Lakhs

b. Future Trade Markets Private Limited.

The Company was holding 70% of the share captial in Future Trade Markets Private Limited. Pursuant to share purchase and buy back agreement dated August 16, 2017, the company has accquired 43,869 equity shares of Future Trade Markets Private Limited (Classified as a Joint Venture upto 31.03.2017) from the other co-venturer, being 5% of the share holding of the company and the balance 25% shareholding held by the other co-venturer was bought back by Future Trade Markets Private Limited. As a result, Future Trade Markets Private Limited became a wholly owned subsidiary of the Company.

The above acquisition of the specified assets referred to as " Business Combination" under Ind AS 103.

Total Purchase Consideration paid for the purpose of accquisition:

Upto August 16, 2017: 6,14,161 shares at a cost of ₹ 3866.00 Lakhs fair value of such shares as on the date of acquiring full control was ₹ 2142. 19 Lakhs During FY 2017-18: 43,869 shares at cost (which is equivalent to the fair value) of ₹ 153.44 Lakhs The fair value of assets accquired and liabilities assumed as at the date of accquisition were:- ₹ 2295.21 Lakhs

c. Future Retail Destination Limited

The Company is holding 50% of the shareholding in Future Retail Destination Limited. Pursuant to Share Purchase Agremeent dated 31 May, 2017 the company has agreed to purchase 1,50,00,000 shares of Future Retail Destination Limited (Classified as Joint Venture upto 31.03.2017) being balance 50% of the share holding of the said company from the other co-venturer by the end of September 2018. Further, the Company has also established full control over operations of Future Retail Destination Limited, by virtue of the agreement, thereby resulitng into a subsidiary of the Company.

Till May 31, 2017, the company has made an investment of ₹ 1500 lakhs (representing 50% of the total shareholding), fair value of which as on the date of share purchase agreement is ₹ 1466.82 lakhs. The fair value of assets and liabilities assumed at the date of share purchase agreement were: ₹ 2933.63 Lakhs

28. Assets pledge as security

The carrying amounts of assests pledged as security for current and non - current borrowings are :

Particulars	As at March 31, 2018	As at March 31, 2017
Current Assets		
Financial Assets		
First Charge		
- Trade Receivables	-	1,361.56
Total Current Assets pledged as Security	**-**	**1,361.56**
Non-Current Assets		
First Charge		
Property, Plant and Equipment	11,038.95	13,238.77
Capital Work-in-Progress	-	-
Investment Properties	2,988.71	7,604.37
Assets Held for Sale	6,277.75	7,708.03
Total Non Current Assets pledged as Security	**20,305.41**	**28,551.17**
Total Assets pledged as Security	**20,305.41**	**29,912.73**

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

29. Share based payments

(a) Employee option plan/ Tradable Options

Future Market Networks Limited (FMNL) has granted options to eligible employees on September 24, 2012 under Employee Stock Option Scheme 2012 ("ESOS 2012"). These options shall vest over a period of four years in the proportion of 25% for each year from the date of grant. These options can be exercised anytime within a period of three years from the date of vesting.

(b) The details pertaining to number of options, weighted average price and assumptions considered for fair value are disclosed below:

Particulars	As at March 31, 2018		As at March 31, 2017	
	Weighted Average Exercise price	No. of options	Weighted Average Exercise price	No. of options
Options outstanding at the beginning of the period	-	-	12	122,250
Options granted during the period	-	-	-	-
Exercised during the period	-	-	12	(120,125)
Expired during the period	-	-		
Forfeited during the period	-	-	12	(2,125)
Options outstanding at the end of the period	**-**	**-**		**-**
Options vested and exercisable at the end of the period	**-**	**-**		**-**

(c) Effect of share-based payment transactions on the entity's profit or loss for the period and on its financial position:

Total expenses arising from share-based payment transactions on account of Share option plans recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	March 31, 2018	March 31, 2017
Employee compensation expense	-	1.89

All options outstanding has been exercised on or before the year ended March 31, 2017.

(d). Method and Assumptions Used to Estimate the Fair Value of Options Granted During the Year:

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

1. Risk Free Interest Rate	**7.45%**
2. Expected Life	**2.5 years**
3. Expected Volatility	**70.70%**
4. Dividend Yield	**0.00%**
5. Price of the Underlying Share in Market at the Time of the Option Grant (₹)	**23.95**

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

30. Related party transactions

In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given in the table below:

(a) Name of related parties and related parties relationship:-

Name of Related Parties	Relationship	
	March 31, 2018	March 31, 2017
PAN India Food Solutions Private Limited (w.e.f. 14.08.2017)	Director Interested	-
Splender Fitness Private Limited		Director Interested
Galaxy Entertainment Corporation Limited		
Retail Light Techniques India Limited		
Naman Mall Management Company Private Limited (wholly owned subsidiary upto 30.09.2017)		Subsidiary
Aashirwad Malls Private Limited	Subsidiary	
Suhani Mall Management Company Private Limited		
Sun City Properties Private Limited		
Gati Realtors Private Limited		-
Future Trade Markets Private Limited		Joint Venture
Future Retail Destination Limited		
Star Shopping Centres Private Limited	Joint Venture	
Riddhi Siddhi Mall Management Private Limited		
Utility Developers Private Limited		
Sattva Realtors Limited	-	
Future Corporate Resources Limited		Investing Parties
Manz Retail Private Limited		
Weavette Business Ventures Limited		
Ishbhoomi Fabtraders Private Limited	Investing Parties	
Suhani Trading & Investment Consultants Private Limited (w.e.f. 14.10.2017)	Holding Company	-
Retail Trust (w.e.f. 14.10.2017)	Ultimate Holding Entity	
Future Retail Limited (w.e.f. 14.10.2017)	Associate of Holding Company	
Praxis Home Retail Limited (w.e.f. 14.10.2017)		
Mr. Anil Cherian	Key Managerial Personnel (KMP)	Key Managerial Personnel (KMP)
Mr. Pawan Agarwal		
Ms. Ritu Pawan Agarwal	Relative of KMP	Relative of KMP
Ms. Jollamma Anil Cherian		
Mr. Sunil Biyani	Managing Director	Managing Director
Mr. Rajesh Kalyani	Non-Executive Director	Non-Executive Director
Ms. Udita Jhunjhunwala	Independent Director	Independent Director
Mr. Vijai Singh Dugar		
Mr. K.A Somayajulu		
Mr. Pramod Arora (w.e.f. 14.08.2017)	Whole Time Director	

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

(b) Key management personnel compensation

Particulars	March 31, 2018	March 31, 2017
Short-term employee benefits	159.79	79.13
Post-employment benefits	19.59	7.84
Employee share-based payment	-	7.50
Total	**179.38**	**94.47**

(c) The Following transactions were carried out with the Related Parties in the ordinary course of business:-

Nature of Transaction	Subsidiary	Joint Ventures	Holding Company / Investing Parties	Relative of KMP	Directors	Director Interested	Associate of the Holding Company
Interest Income	**76.51**	**48.70**	-	-	-	-	-
	35.08	*23.10*	-	-	-	-	-
Project Management Consultancy	-	-	-	-	-	-	-
	-	*6.84*	-	-	-	-	-
Rent Expenses	-	-	-	**6.72**	-	-	**22.46**
	-	-	-	5.88	-	-	-
Reimbursement of Expenses	-	-	-	-	-	-	**16.78**
	10.84	-	-	-	-	-	-
Sitting Fees	-	-	-	-	**11.05**	-	-
	-	-	-	-	*11.10*	-	-
Investment in shares	**1,085.26**	-	-	-	-	-	-
	-	*111.12*	-	-	-	-	-
Share application money Given	**1,085.26**	-	-	-	-	-	-
	-	*112.59*	-	-	-	-	-
Share application money received back	-	-	-	-	-	-	-
	-	*1.47*	-	-	-	-	-
Advances /Loans given net off received back	**(539.13)**	**352.07**	-	-	-	-	-
	427.66	*163.17*	-	-	-	-	-
Advances /Loans taken net off repaid back	-	-	-	-	-	-	**(2,935.11)**
	-	-	*(486.00)*	-	-	-	-
Purchase	-	-	-	-	-	**1.41**	-
	-	-	-	-	-	-	-
Rent Income	-	-	-	-	-	**5.25**	**586.21**
	-	-	-	-	-	-	-
Income from Debtors Assignment	-	-	-	-	-	**123.00**	-
	-	-	-	-	-	-	-
Promotor Contribution	-	-	-	-	-	-	-
	-	-	*1,839.97*	-	-	-	-
Business Advance Given Recived back Net	-	**(68.77)**	-	-	-	-	-
	-	*42.68*	-	-	-	-	-
Capital Advance	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Shares issued under ESOP Scheme (at issue price)	-	-	-	-	-	-	-
	1.20	-	-	-	*6.00*	-	-
Outstanding Balance as at March 31,2018							
Receivable	-	-	-	-	-	-	**507.31**
	-	-	-	-	-	-	-
Payables	-	-	-	-	-	-	**39.22**
	-	-	-	-	-	-	-
Subordinated Debt	-	-	**4,905.97**	-	-	-	-
	-	-	*4,905.97*	-	-	-	-
Loans & Advances	**385.49**	**663.95**	-	-	-	-	-
	642.95	*577.98*	-	-	-	-	-
Loan / Advance Taken	-	-	**450.00**	-	-	-	**12,760.30**
	-	-	-	-	-	-	-
Security Deposits Taken	-	-	-	-	-	-	**453.00**
	-	-	-	-	-	-	-

NOTE: Figures in italic represents previous year's figures.

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

(d) Significant Related Party transactions:-

Nature of Transaction	Name of the Company	March 31, 2018	March 31, 2017
Interest Income	Suhani Mall Management Company Private Limited	12.52	1.69
	Future Retail Destination Limited	21.02	22.29
	Sun City Properties Private Limited	28.81	24.21
	Riddhi Siddhi Mall Management Private Limited	48.70	-
	Naman Mall Management Company Private Limited	12.65	9.19
Project Management Consultancy	Future Trade Market Private Limited	-	6.84
Lease Rent Expenses	Ms. Jollamma Anil Cherian	3.36	2.94
	Ms. Ritu Pawan Agarwal	3.36	2.94
Reimbursement of Expenses	Sun City Properties Private Limited	-	10.84
Remuneration to KMP	Mr. Pawan Agarwal	47.01	46.58
	Mr. Anil Cherian	35.73	40.05
	Mr. Pramod Arora	77.04	-
Sitting Fees / ESOP	Mr. Rajesh Kalyani (Sitting Fees)	2.80	3.30
	Mr. Rajesh Kalyani (ESOP Shares)	-	6.00
	Mr. Vijai Singh Dugar (Sitting Fees)	3.50	3.60
	Mr. K.A Somayajulu (Sitting Fees)	3.60	3.60
Share application money given	Riddhi Siddhi Mall Management Private Limited (Joint Venture)	-	111.12
	Gati Realtors Private Limited	1,085.26	-
Investment in Shares	Gati Realtors Private Limited	1,085.26	-
	Riddhi Siddhi Mall Management Private Limited (Joint Venture)	-	111.12
Loan Given net off received Back	Future Retail Destination Limited	(220.66)	54.68
	Naman Mall Management Company Private Limited (wholly owned subsidiary upto 30/09/2017)(Director Intereted)	(379.27)	371.00
	Suhani Mall Management Company Private Limited	62.09	56.47
	Riddhi Siddhi Mall Management Private Limited	351.64	95.91
	Future Trade Markets Private Limited	(20.51)	19.77
	Gati Realtors Private Limited	14.75	-
Loan Taken Net Off Paid Back	Future Retail Limited (w.e.f. 14.10.2017)	(2,935.11)	-
Advances repaid back	Weavette Business Ventures Limited	-	486.00
Promotor's Contribution	Future Corporate Resources Limited	-	1,839.97
Business Advance Given Recived back Net	Star Shopping Centers Private Limited	(68.78)	42.68
Purchases	Galaxy Entertainment Corporation Limited	1.42	-
Rent Expenses	Future Retail Limited (w.e.f. 14.10.2017)	22.46	-
Rent Income	Future Retail Limited (w.e.f. 14.10.2017)	550.88	-
	Praxis Home Retail Limited (w.e.f. 14.10.2017)	35.34	-
Reimbursement of Expenses	Future Retail Limited (w.e.f. 14.10.2017)	16.79	-
Income from Debtors Assignment	PAN India Food Solutions Private Limited (w.e.f. 14.08.2017)	123.00	-

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

31. In respect of operating lease taken by the company, the future minimum lease rental obligation under operating leases -

S. No.	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
i)	Lease rentals recognized in Statement of Profit and Loss	4,622.43	4,369.55
ii)	Lease rentals payable not later than one year	2,188.09	3,602.22
iii)	Lease rentals payable later than one year and not later than five years	8,054.61	8,848.11
iv)	Lease rentals payable later than five years	2,925.34	4,409.84

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

S. No.	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
i)	Gross block of assets let out on operating lease	25,418.54	25,625.04
ii)	Accumulated depreciation as at March 31	6,981.14	4,851.85
iii)	Depreciation charged during the year to the Statement of Profit and Loss	2,486.41	2,613.89
iv)	Lease rentals recognised in Statement of Profit and Loss	6,341.56	5,720.79
v)	Lease rentals receivable not later than one year	5,411.20	5,715.93
vi)	Lease rentals receivable later than one year and not later than five years	20,288.96	7,937.07
vii)	Lease rentals receivable later than five years	9.33	110.00

33. Payable to MSME

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise DevelopmentAct, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the company.There are no overdue principal amounts/ interest payable amounts for delayed payments to such vendorsat the Balance Sheet date. There are no delays in payment made to such suppliers during the year or forany earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect ofpayments made during the year or brought forward from previous years.

34. Disclosures as per Part A of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 186(4) of the Companies Act, 2013 in relation to loans and advances given (except advances given for business / capital purpose)

Sr No	Name of Companies	Relationship	Outstanding Balance		Maximum Balance outstanding during the year	
			As at March 31, 2018	As at March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
A	**Loans Given**					
1	Future Trade Markets Private Limited	Subsidiary	-	20.50	29.36	20.50
2	Suhani Mall Management Company Private Limited	Subsidiary	132.74	58.14	132.74	58.14
3	Star Shopping Centres Private Limited	Joint Venture	171.91	240.68	249.15	283.36
4	Sun City Properties Private Limited	Subsidiary	233.87	205.54	233.87	205.54
5	Riddhi Siddhi Mall Management Private Limited	Joint Venture	491.61	96.14	542.77	106.24
6	Future Retail Destination Limited	Subsidiary	-	220.65	243.53	220.65
7	Utility Developers Private Limited	Joint Venture	0.44	-	0.44	-
8	F R Retail Destination Private Limited	Other Body Corporate	-	-	-	1,274.54
9	Ojas Mall Management Private Limited	Other Body Corporate	412.95	475.02	482.39	555.06
10	Niyman Mall Management Company Private Limited	Other Body Corporate	451.18	292.09	451.18	292.09
11	Acute Realty Private Limited	Other Body Corporate	187.28	1,286.13	1,312.31	4,529.01
12	Nishta Mall Management Company Private Limited	Other Body Corporate	1,692.37	1,725.50	1,748.31	1,725.50
13	Precision Realty Developers Private Limited	Other Body Corporate	2,065.16	-	2,065.16	170.00
14	Unique Malls Private Limited	Other Body Corporate	2,271.15	5,205.82	5,205.82	7,260.48

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

Sr No	Name of Companies	Relationship	Outstanding Balance		Maximum Balance outstanding during the year	
			As at March 31, 2018	As at March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
15	Bansi Mall Management Company Private Limited.	Other Body Corporate	-	-	-	324.39
16	Navika Developers Private Limited	Other Body Corporate	12.90	77.65	269.00	253.13
17	Ujjain Future Bazaar Private Limited	Other Body Corporate	784.65	452.97	784.65	452.97
18	Harmony Malls Management Private Limited	Other Body Corporate	649.97	713.65	1,046.65	713.65
19	Shrijee Lifestyle Private Limited	Other Body Corporate	-	-	-	64.85
20	Naman Mall Management Company Private Limited	Other Body Corporate	-	379.27	379.27	379.27
21	Gati Realtors Private Limited	Subsidiary	14.75	-	14.75	-
22	Invention Realtors Private Limited	Other Body Corporate	-	-	45.00	-
B	**Corporate Guarantee Given**					
i.	IDBI Bank Limited- Acute Realty Private Limited	Other Body Corporate	18700	18700		
ii.	Central bank of India- Unique Malls Private Limited	Other Body Corporate	18750	18750		
iii.	Indian Overseas Bank - Precision Realty Developers Private Limited	Other Body Corporate		12500		
v.	Central Bank of India Suhani Trading and Investment Consultants Private Limited	Investing Party/ Holding Company	15000	15000		
C	**Investments**	Investments made are given under Schedule 5(a)				

Note:

(a). All the above loans have been granted for business purposes, except loan amounting to ₹ 2150.00 lakhs which has been granted to Unique Malls Private Limited, being promoter contribution, for the purpose of obtaining bank finance.

(b). All the above loans are interest bearing except loan to Gati Realtors Private Limited & Star Shopping Centres Private Limited which is in the nature of business advance, and promoter contribution to Unique Malls Private Limited as stated above.

35. Contingent Liabilities not provided for:

(a) Corporate Guarantee given to bank on behalf of Companies- ₹ 52,450 Lakhs (2017: ₹ 64,950 Lakhs)

*Note: As on May 25, 2018, being the date of adopting the Financial Statements the amount of Corporate Guarantee is ₹ 18,700 Lakhs (*Refer note 34)

(b) Service Tax disputed demand - ₹ 779.80 lakhs (2017: ₹ 779.80 lakhs)

The demand is related to the tax liabilities of the erstwhile owner of the commercial property situated at D-09, Dhanvantari Chikitsa Kendra Yojna, Nanakheda, Ujjain, Madhya Pradesh – 456010. The property was acquired from a financial institution and not from the alleged assesse/erstwhile owner.

Based on the interpretation of other relevant provisions, the Company has been legally advised that the demand is not maintainable and the Company already filed a writ petition before Hon'ble High Court MP challenging the demand and accordingly no provision has been made.

(c) In an Arbitration proceedings before the sole Arbitrator, appointed by the Hon'ble High Court of Calcutta, in respect of disputes arose out of termination of a license agreement related to a shopping mall, the Arbitrator has awarded a net amount of ₹ 12,90,52,379/- (Rupees Twelve Crore Ninety Lakhs Fifty Two Thousand Three Hundred Seventy Nine Only) to the Claimant after allowing certain counter claims of the Company.

The Company has filed an Arbitration Petition challenging the arbitration award U/s 34 of Arbitration and Conciliation Act, 1996 before the Hon'ble High Court, Calcutta.

Claimant through its Proprietor has also challenged the aforesaid arbitration award before the Hon'ble High Court, Calcutta.

The matters are pending before the High Court, Calcutta.

Notes to the financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

(d) The Company has sub lease rights with respect to a shopping mall in Mumbai and there were serious disputes amongst the parties under the said arrangement. During the year 2017-18, the parties have arrived at a settlement in a suit filed by the Company and tendered consent terms with Hon'ble High Court of Bombay in the suit filed by the Company. The consent terms deals with settlement of long standing dispute between the Company including settlement of past claims of sub lessor and in terms of the settlement entire outstanding till 30th June 2017 is settled for an amount of ₹ 35.10 Cr, which is payable over a period of 3 years (over and above the existing receivables standing in the books) and the arrangement provides for future lease period and reduced rentals for the sub lease period upto August 2027. The arrangement deals with entitlement of lease rental in respect of premises owned by various third parties and a minority of such third party owners have intervened in the matter raising objections with respect of approval of consent terms by the Hon'ble Court. The Court has taken the consent terms on record but not yet issued an order sanctioning the consent terms. In case, the consent terms are accepted as filed, the Company will have to honour its payment obligations for the said amount after paymnets made, if any, and the parties shall be administrated in terms of the said consent terms. However, if the consent terms are not approved as agreed by the parties, it shall be relegated to the original position of the suit filed by the Company . In view of this, the above has been disclosed as contingent liabilities pending approval of Hon'ble High Court in relation to the consent terms.

As per our Report of even date
For Viren Gandhi & Co.
Chartered Accountants

Chintan Gandhi
Partner

Place: Mumbai
Date: May 25,2018

For and on behalf of the Board of Directors

Sunil Biyani
Managing Director
DIN: 00006583

Vijai Singh Dugar
Chairman
DIN: 06463399

Pramod Arora
Whole Time Director
DIN: 02559344

Pawan Agarwal
Chief Financial Officer

Anil Cherian
Company Secretary

Consolidated Financial Statements and Notes

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FUTURE MARKET NETWORKS LIMITED

Report on Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statement of **FUTURE MARKET NETWORKS LIMITED** ("the Holding Company") and its subsidiaries (together referred to as "the Group"), which includes Group's shares of profit in its joint venture and associate companies, comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Profit and Loss Statement (including other Comprehensive Income), the Consolidated Cash Flow Statement and the Statement of Changes in Equity for the year ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules,2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated financial statements.

The respective Board of Directors of the companies included in the group and of its associates and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates and joint ventures respectively and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act and the rules made thereunder including the accounting standards and matters which are required to be included in the audit report. We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial Statements The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial Statements whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial Statements that gives true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Board of Directors of the Holding Company, as well as evaluating the overall presentation of the consolidated financial Statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries, associates and joint ventures referred to below in the Other Matters paragraph, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its joint ventures as at March 31, 2018, and their consolidated profit / loss(including Other Comprehensive Income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Emphasis of Matter

Attention is drawn to Note No. 35 of Consolidated financial statements.

The holding company has sub lease rights with respect to a shopping mall in Mumbai and there were serious disputes amongst the parties under the said arrangement. During the year 2017-18, the parties have arrived at a settlement in a suit filed by the holding company and tendered consent terms with Hon'ble High Court of Bombay in the suit filed by the holding company. The consent terms deals with settlement of long standing dispute between the holding company including settlement of past claims of sub lessor and in terms of the settlement entire outstanding till June 30, 2017 is settled for an amount of ₹ 35.10 Cr, which is payable over a period of 3 years (over and above the existing receivables standing in the books) and the arrangement provides for future lease period and reduced rentals for the sub lease period upto August 2027. The arrangement deals with entitlement of lease rental in respect of premises owned by various third parties and a minority of such third party owners have intervened in the matter raising objections with respect of approval of consent terms by the Hon'ble Court. The Court has taken the consent terms on record but not yet issued an order sanctioning the consent terms. In case, the consent terms are accepted as filed, the holding company will have to honor its payment obligations for the said amount after payments made, if any, and the parties shall be administrated in terms of the said consent terms. However, if the consent terms are not approved as agreed by the parties, it shall be relegated to the original position of the suit filed by the holding company. In view of this, the above has been disclosed as contingent liabilities pending approval of Hon'ble High Court in relation to the consent terms.

Our opinion is not modified in respect of these matters.

Other Matters

We did not audit the financial statements / consolidated financial statements of Six subsidiaries whose financial statements reflect total assets of ₹ 14913.59 lakhs as at March 31, 2018, total revenues of ₹ 602.10 lakhs, total net loss of Rs. 2655.88 lakhs, total comprehensive income of ₹ 21.76 lakhs and total cash inflows of ₹ 1648.01 lakhs for the year ended on that date, as considered in the consolidated financial Statement. The consolidated financial statements also include the Group's share of loss of ₹ 1639.62 lakhs for the year ended on that date and total comprehensive income of ₹ 0.80 Lakhs for the year ended March 31, 2018 as considered in the consolidated financial results, in the respect of five joint ventures, whose financial statements have not been audited by us. These financial statements/ consolidated financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial result, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

(1) As required by Section 143(3) of the Act, we report that to the extent applicable that::

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

b. In our opinion, proper books of account as required by law maintained relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors ;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company its subsidiaries included in the Group, associate companies and joint venture incorporated in India including relevant records relating to the preparation of the consolidated financial statements;

d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act

e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors of the Holding Company, none of the directors of the Group and joint venture incorporated in India are disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint Ventures incorporated in India and the operating effectiveness of such controls, refer to our Report in "Annexure A";

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The consolidated financial statements disclose the impact of pending litigations as at March 31, 2018 on the consolidated financial position of the Group, its associates and Joint Ventures.

(ii) The Group did not have any long-term contracts including derivative contracts.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For Viren Gandhi & Co
Chartered Accountants
[Firm Registration No: 111558W]

Chintan Gandhi
Partner
Membership No: 137079

Place: Mumbai
Date : May 25, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF FUTURE MARKET NETWORKS LIMITED

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date)

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of FUTURE MARKET NETWORKS LIMITED ("the Holding Company"), its subsidiaries and jointly venture (the holding company and its subsidiaries together referred to as "the group"), as of March 31, 2018 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company's its subsidiaries, associates, and jointly controlled entities all incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls both applicable to an audit of Internal financial controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and by the other auditors of the subsidiaries and jointly controlled entities in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company, its subsidiaries, its associates and its jointly controlled entities have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the the Holding Company, its subsidiaries, its associates and its jointly ventures considering the essential components of internal control stated in the Guidance Note on Audit On Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls system over financial reporting insofar as it relates to six subsidiaries and five joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Viren Gandhi & Co
Chartered Accountants
[Firm Registration No: 111558W]

Chintan Gandhi
Partner
Membership No: 137079

Place: Mumbai
Date : May 25, 2018

Consolidated Balance Sheet as at March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	3	11,256.48	17,165.62
Capital work-in-progress	3	995.29	348.08
Investment properties	4	13,677.03	7,604.37
Goodwill on consolidation		1,826.53	1,826.11
Investments accounted for using the equity method	5 (a)	899.78	5,998.18
Financial assets			
Investments	5 (a)	3,548.65	3,581.12
Loans	5 (c)	4,258.07	4,924.54
Other financial assets	5 (f)	16.36	15.28
Deferred tax assets (net)	6	7,110.20	7,476.18
Other non-current assets	7	4,265.18	4,626.22
Total non-current assets		**47,853.57**	**53,565.70**
Current assets			
Inventories	8	918.71	929.80
Financial assets			
Investments	5 (a)	2,369.60	-
Trade receivables	5 (b)	1,664.40	1,460.43
Cash and cash equivalents	5 (d)	891.06	696.11
Bank Balances other than above	5 (e)	207.15	6.68
Loans	5 (c)	10,272.73	9,979.45
Other financial assets	5 (f)	267.79	14.61
Other current assets	7	1,779.12	1,728.08
		18,370.56	**14,815.16**
Assets classified as held for sale	9	6,277.75	20,670.17
Total current assets		**24,648.31**	**35,485.33**
Total assets		**72,501.88**	**89,051.03**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10 (a)	5,629.13	5,629.13
Other Equity	10 (b)	12,261.44	13,734.85
Equity attributable to owners		**17,890.57**	**19,363.98**
Non Controlling Interest		1,884.90	410.28
Total Equity		**19,775.47**	**19,774.26**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	11 (a)	4,044.09	8,679.88
Other financial liabilities	11 (b)	9,033.67	3,974.45
Employee benefit obligations	12	31.51	21.26
Deferred tax liabilities (net)	6	21.98	11.45
Other non-current liabilities	13	601.73	702.06
Total non-current liabilities		**13,732.98**	**13,389.10**
Current liabilities			
Financial liabilities			
Borrowings	11 (a)	15,039.75	17,874.00
Trade payables	11 (c)	1,422.93	1,631.72
Other financial liabilities	11 (b)	10,007.38	12,748.11
Employee benefit obligations	12	0.50	0.34
Current tax liabilities (net)	6	13.95	-
Other current liabilities	13	12,508.92	11,250.62
Liabilities classified as held for sale		-	12,382.88
Total current liabilities		**38,993.43**	**55,887.67**
Total liabilities		**52,726.41**	**69,276.77**
Total Equity and Liabilities		**72,501.88**	**89,051.03**
The above consolidated balance sheet should be read in conjunction with the accompaying notes.	1-35		

As per our Report of even date
For Viren Gandhi & Co.
Chartered Accountants

Chintan Gandhi
Partner

Place: Mumbai
Date: May 25,2018

For and on behalf of the Board of Directors

Sunil Biyani
Managing Director
DIN: 00006583

Vijai Singh Dugar
Chairman
DIN: 06463399

Pramod Arora
Whole Time Director
DIN: 02559344

Pawan Agarwal
Chief Financial Officer

Anil Cherian
Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Income			
Revenue from operations	15	8,424.76	8,699.57
Other income	16	3,373.64	3,307.19
Total income		**11,798.40**	**12,006.76**
Expenses			
Operating Cost	17	4,966.47	4,749.36
Cost of units sold	18	39.28	384.66
Employee benefits expense	19	469.82	467.63
Finance costs	20	2,457.12	4,360.59
Depreciation and amortization expense	21	2,607.61	2,735.08
Other expenses	22	806.83	1,640.96
Total expenses		**11,347.13**	**14,338.28**
Profit before exceptional item, share of net profits of investments accounted for using equity method and tax		**451.27**	**(2,331.52)**
Share of net profit of associates and joint ventures accounted by using equity method		(1,639.62)	118.94
Profit before exceptional item and tax			
Add : Profit on conversion of investment in equity instruments of joint venture into subsidiaries		149.41	-
Profit/(Loss) before tax from Continuing Operations		**(1,038.94)**	**(2,212.58)**
Income tax expenses			
Current tax	6	19.84	1.81
Deferred tax	6	399.71	76.88
Total tax expenses		**419.55**	**78.69**
Profit/(Loss) after tax from Continuing Operations		**(1,458.49)**	**(2,291.27)**
Discontinued Operations			
Profit/(Loss) from Discontinued Operations before tax		-	(398.76)
Tax Expense on Discontinued Operations		-	-
Profit/(Loss) from Discontinued Operations		-	**(398.76)**
Profit/(Loss) for the Year (A)		**(1,458.49)**	**(2,690.03)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans	10	1.24	6.52
Equity instruments through other comprehensive income	10	(32.37)	(520.69)
Share of other comprehensive income of associates and joint ventures accounted by using equity method		0.80	-
Income tax relating to items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans	6	0.41	2.16
Equity instruments through other comprehensive income	6	(23.60)	(165.35)
Share of other comprehensive income of associates and joint ventures accounted by using equity method		-	-
Other comprehensive income for the year,net of taxes(B)		**(7.14)**	**(350.98)**
Total comprehensive income for the year (A+B)		**(1,465.63)**	**(3,041.01)**
Profit is attributable to :			
Owners of Future Market Networks Limited		(1,463.29)	(2,694.01)
Non Controlling Interest		4.81	3.99
Other comprehensive income is attributable to :			
Owners of Future Market Networks Limited		(10.13)	(321.11)
Non Controlling Interest		2.99	(29.85)
Total comprehensive income is attributable to :			
Owners of Future Market Networks Limited		(1,473.42)	(3,015.12)
Non Controlling Interest		7.80	(25.87)
Total comprehensive income is attributable to Owners of Future Market Networks Limited			
Continuing Operations		(1,473.42)	(2,616.36)
Discontinuing Operations		-	(398.76)
Earnings per equity share from profit attributable to owners of Future Market Networks Limited from Continuing Operations			
Basic (face value of ₹ 10/- each)		(2.60)	(4.08)
Diluted (face value of ₹ 10/- each)		(2.60)	(4.08)
Earnings per equity share from profit attributable to owners of Future Market Networks Limited from Discontinuing Operations			
Basic (face value of ₹ 10/- each)		-	(0.71)
Diluted (face value of ₹ 10/- each)		-	(0.71)
Earnings per equity share from profit attributable to owners of Future Market Networks Limited			
Basic (face value of ₹ 10/- each)	26	(2.60)	(4.79)
Diluted (face value of ₹ 10/- each)		(2.60)	(4.79)
The above statement of consolidated profit and loss should be read in conjunction with the accompanying notes.	1-35		

As per our Report of even date
For Viren Gandhi & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Chintan Gandhi
Partner

Sunil Biyani
Managing Director
DIN: 00006583

Vijai Singh Dugar
Chairman
DIN: 06463399

Pramod Arora
Whole Time Director
DIN: 02559344

Place: Mumbai
Date: May 25,2018

Pawan Agarwal
Chief Financial Officer

Anil Cherian
Company Secretary

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

(All amounts in INR lakhs, unless otherwise stated)

A. Equity Share Capital

As at March 31, 2017	**5,629.13**
Changes in equity share capital	-
As at March 31, 2018	**5,629.13**

B. other Equity

	Reserve and surplus					Other Reserve	Total other equity	Non-controlling interests	Total
	Securities premium	Share option outstanding account	Retained earnings	Capital Reserve	Subordinated Debt	FVOCI-equity investments			
Balance as at April 1, 2016	**25,267.13**	**19.69**	**(17,168.48)**	**7,474.75**	**3,066.00**	**(4,283.54)**	**14,375.55**	**436.15**	**14,811.70**
Profit / (Loss) for the year	-	-	(2,694.01)	-	-	-	(2,694.01)	3.99	(2,690.02)
Other comprehensive income for the year	-	-	4.37	-	-	(325.48)	(321.11)	(29.86)	(350.97)
Total comprehensive income for the year	**-**	**-**	**(2,689.64)**	**-**	**-**	**(325.48)**	**(3,015.12)**	**(25.87)**	**(3,040.99)**
Employee stock option expenses	21.80	2.11	-	-	-	-	23.91	-	23.91
Issue of Equity shares	2.40	(21.80)	-	-	-	-	(19.40)	-	(19.40)
Addition during the year	-	-	-	529.94	1,839.97	-	2,369.91	-	2,369.91
Balance as at March 31, 2017	**25,291.33**	**-**	**(19,858.12)**	**8,004.69**	**4,905.97**	**(4,609.02)**	**13,734.85**	**410.28**	**14,145.13**
Balance as at April 1, 2017	**25,291.33**	**-**	**(19,858.12)**	**8,004.69**	**4,905.97**	**(4,609.02)**	**13,734.85**	**410.28**	**14,145.13**
Profit / (Loss) for the year	-	-	(1,463.29)	-	-	-	(1,463.29)	4.81	**(1,458.48)**
Other comprehensive income for the year	-	-	0.83	-	-	(10.95)	(10.12)	2.99	**(7.13)**
Total comprehensive income for the year	**-**	**-**	**(1,462.46)**	**-**	**-**	**(10.95)**	**(1,473.41)**	**7.80**	**(1,465.61)**
Addition during the year								1,466.82	**1,466.82**
Balance as at March 31, 2018	**25,291.33**	**-**	**(21,320.58)**	**8,004.69**	**4,905.97**	**(4,619.97)**	**12,261.44**	**1,884.90**	**14,146.34**

The above consolidated statement of changes in Equity should be read in conjunction with the accompanying notes.

As per our Report of even date
For Viren Gandhi & Co.
Chartered Accountants

Chintan Gandhi
Partner

Place: Mumbai
Date: May 25,2018

For and on behalf of the Board of Directors

Sunil Biyani
Managing Director
DIN: 00006583

Vijai Singh Dugar
Chairman
DIN: 06463399

Pramod Arora
Whole Time Director
DIN: 02559344

Pawan Agarwal
Chief Financial Officer

Anil Cherian
Company Secretary

Consolidated Cash Flow Statement

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
	Cash Flow from operating activities		
	Profit / (Loss) before Tax	**(1,038.93)**	**(2,611.33)**
	Adjustments for		
	Add:		
	Depreciation and amortisation expenses	2,607.61	2,836.22
	Finance costs	2,457.13	4,486.53
	Loss on assets sold or discarded/ Investment	-	407.57
	Bad debts and irrecoverable balances written off	32.59	203.84
	Share Based Payment Expenses	-	2.11
	Provision for Gratuity & Leave Encashment	11.94	6.10
	Impairment Loss	-	265.38
	Share of loss of Equity Accounted Entities	1,639.62	-
	Less:		
	Interest received	(1,867.97)	(2,436.39)
	Sundry balance written back	(5.11)	(533.67)
	Share of Equity Accounted Entities	-	(118.94)
	Profit on Sale of Investment	(181.50)	-
	Profit on sale of assets	(1,129.52)	(325.08)
	Profit on conversion of investment in equity instruments of joint venture into subsidiaries	(149.42)	-
	Gratuity Paid	(0.29)	-
	Operating Profit before Working Capital change	**2,376.15**	**2,182.34**
	Change in operating assets and liabilities		
	Trade and Other Receivable	1,478.45	2,579.05
	Trade Payable,Other Liabilities & Provisions	6,127.19	(6,452.70)
	Inventory	11.09	134.90
	Cash generated from operations	**9,992.88**	**(1,556.41)**
	Income taxes paid	(49.55)	929.39
A	**Net cash inflow/(outflow) from operating activities**	**9,943.33**	**(627.02)**
	Cash flow from investing activities:		
	Sale of Fixed Assets	2,795.22	2,282.75
	Purchase of Fixed Assets	(889.35)	(114.07)
	Sale of Investment	381.60	-
	Purchase of Investment	(1,020.36)	(146.50)
	Loans received / (given)	2,404.88	3,537.60
	Interest received	1,867.97	2,436.39
	Fixed Deposit	(200.47)	0.23
B	**Net cash inflow from investing activities**	**5,339.49**	**7,996.40**
	Cash flow from financing activities		
	Interest paid	(2457.13)	(4,486.53)
	Proceeds of Equity Shares	-	14.42
	Proceeds from Subordinated Debt	-	1,839.97
	Net Proceeds of Short Term Borrowings	(2,142.87)	2,324.43
	Net Repayment of Long Term Borrowings	(7,737.65)	(6,593.76)
C	**Net cash outflow from financing activities**	**(12,337.65)**	**(6,901.47)**

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Net increase/(decrease) in cash and cash equivalents from Continuing Operations	**2,945.17**	**467.91**
Add: Cash and cash equivalents at the beginning of the financial year	4.33	(463.58)
Add: Cash and cash equivalents of subsidiaries acquired during the year	311.16	-
Cash and cash equivalents at the end of the year	**3,260.66**	**4.33**
Cash and cash equivalents at the end of the year		
Cash and cash equivalents	891.06	696.11
Bank Overdraft	-	(691.78)
Investment in Liquid Funds	2,369.60	-
Balance as per Statement of Cash Flow	**3,260.66**	**4.33**

Change in Liability arising from financing activities

Particulars	As at March 31, 2017	Cash Flows	Non Cash Changes (Acquisition of subsidiary)	As at March 31, 2018
Current Borrowings	17,182.23	(2,142.88)	0.41	15,039.76
Non Current Borrowings (including current maturities)	16,460.12	(7,756.31)	18.65	8,722.46

The above statement of cash flows should be read in conjunction with the accompanying notes.

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting standard (Ind As-7), "Statement of Cash Flows".

As per our Report of even date
For Viren Gandhi & Co.
Chartered Accountants

Chintan Gandhi
Partner

Place: Mumbai
Date: May 25,2018

For and on behalf of the Board of Directors

Sunil Biyani
Managing Director
DIN: 00006583

Vijai Singh Dugar
Chairman
DIN: 06463399

Pramod Arora
Whole Time Director
DIN: 02559344

Pawan Agarwal
Chief Financial Officer

Anil Cherian
Company Secretary

1. BACKGROUND

Future Market Networks Limited (The Holding Company) is a public limited company incorporated in India under the provisions of Companies Act, 1956 and validly existing under Companies Act, 2013. Equity shares of the Group are listed with BSE Limited and National Stock Exchange of India Limited. The group is engaged in the business of building capacity and enabling the infrastructure for future markets in a more efficient and cost effective manner. It aims to create a network of new markets by integrating and better organizing the modern wholesale trade, retail and logistics infrastructure in India. The Group is currently managing approximately 1 million sq. ft. of retail space and owns various real estate properties across India.

2. Significant Accounting Policies:

(a) Basis of preparation

(i) Compliance with Ind AS:

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention:

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value;
- assets held for sale measured at lower of carrying amount or fair value less cost to sell; and
- share-based payments

(iii) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

Principles of consolidation and equity accounting:

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% to 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

(iii) Joint ventures

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.

(iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post -acquisition profits or losses of the investee in profit and loss, an other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 1 (h) below.

(v) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity (note 33).

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(b) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term. Leasehold improvements are amortised over the period of lease or estimated useful life, whichever is lower.

- Leasehold Improvements 16 years
- Machinery 10 years
- Furniture, fittings and equipment 10 years
- Office and other equipments 5 Years
- Computer and software 3 Years

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

(c) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Freehold land is carried at cost. Investment properties are depreciated using the straight-line method over their estimated useful lives.

Useful life considered for calculation of depreciation for Freehold Building is as follows-

- Freehold buildings 60 years

(d) Investments and other financial assets:

i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The Classification depends on the entity's business model for managing the financial assets and the contractual term of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable Election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement of financial assets

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments:

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into following categories:

a. Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to Statement of Profit and Dividends from such investments are recognised in profit or loss as other income when the Group established.

(i) *Impairment of financial assets*

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 24 details how the group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(ii) Derecognition of financial assets

A financial asset is derecognised only when

- The group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the group has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

A financial liability is recognised when the obligation specified in the contract is discharged, completed or expired.

(iii) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

(e) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(f) Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits with banks and short term highly liquid investments, which are readily convertible into cash and have original maturities of three months or less from the Balance Sheet date.

(g) Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Recognising revenue from major business activities

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

Sale of Goods

Sales are recognized when significant risk and rewards of ownership of goods have passed to the buyer which coincides with the delivery and they are recorded net of trade discount , Goods & Service Tax (GST), VAT and sales tax.

Income from Services

Revenue from services rendered is recognized 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 recognized as unbilled revenue.

Lease rentals income is recognized in the Statement of Profit and Loss as per the terms of agreement which is representative of the time pattern of the user's benefit.

(h) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(i) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement. Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

(j) Employee Benefits:

Short term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees's service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment obligations

The Group operates the following post-employment schemes:

(a) defined benefit plans such as gratuity; and

(b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Re measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Termination Benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; (b) when the Group recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Share-based payments

Estimating fair values for share based payment transaction requires the most appropriate valuation model, which depends on the terms and conditions of the grant. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity settled transactions with employees at the grant date, the Group uses Black Scholes model. The assumptions used for estimating the fair value for share based transactions are disclosed in Note 28.

(k) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the group and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

(l) Leases:

As a lessee

Leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(m) Foreign Currency transactions:

Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Indian rupee (INR), which is Future Market Networks Limited's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

(n) Inventories:

Inventories which comprise of finished stock of completed projects are valued at lower of cost or net realizable value. Cost is determined by including cost of land (including development rights), internal development cost, external development charges, materials, services, related overheads and apportioned borrowing costs.

(o) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares (note 26).

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(p) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Group is primarily engaged in the activity of mall management business and considers it to be a single reportable business segment. The operations of the Group are within the geographical territory of India which is considered as a single geographical segment. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Managing Director, who has been identified as being the chief operating decision maker, assesses the financial performance and position of the group, and makes strategic decisions. Refer note 25 for segment information presented.

(q) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(r) Borrowing costs

Borrowing costs directly attributable to the acquisition and construction of an asset which takes a substantial period of time to get ready for its intended use are capitalized as a part of the cost of such assets, until such time the asset is substantially ready for its intended use. All other borrowing costs are recognized in the Statement of Profit and Loss in the period they occur. Borrowing costs consist of interest and other costs incurred in connection with borrowing of funds.

Other borrowing costs are expensed in the period in which they are incurred.

(s) Provisions and contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The increase in the provision due to the passage of time is recognised as interest expense. Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(t) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(u) Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal and actual results. Management also needs to exercise judgement in applying the groups accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

a) Estimation of defined benefit obligation (Note 14)

b) Estimation of current tax expense and payable (Note 6)

c) Estimated Fair value of unlisted securities – (Note 23)

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(v) Recent accounting pronouncements

Ind AS 115

In March 2018, the Ministry of Corporate Affairs as notified the Companies (Indian Accounting

Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115

"Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions.

The model specifies that revenue should be recognized when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition: :

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant"

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

3. Property, Plant and Equipment

	Leasehold Improvements	Air Conditioner	Computer and Software	Furniture and fittings	Office and Other Equipments	Plant and Machinery	Vehicles	Total	Capital work-in-progress
Year ended March 31, 2017									
Gross carrying amount									
Opening gross carrying amount	10,675.03	2,605.60	24.57	4,912.49	154.44	5,084.46	0.21	**23,456.80**	1,246.84
Additions	-	13.40	2.47	3.42	1.82	-	-	**21.11**	47.96
Disposal/Transfer	-	-	-	-	-	-	-	**-**	-
Assets classified as held for sale	-	(279.76)	(1.92)	(513.96)	(9.18)	(567.33)	(0.20)	**(1,372.35)**	(946.72)
Closing gross carrying amount	**10,675.03**	**2,339.24**	**25.12**	**4,401.95**	**147.08**	**4,517.13**	**0.01**	**22,105.56**	**348.08**
Accumulated depreciation									
Opening accumulated depreciation	676.11	397.90	7.70	730.64	87.49	731.86	-	**2,631.70**	-
Depreciation charge during the year	810.49	372.27	4.62	679.19	41.42	672.34	-	**2,580.33**	-
Depreciation related to Assets classified as held for sale	-	(47.90)	-	(105.58)	(5.82)	(112.79)	-	**(272.09)**	-
Closing accumulated depreciation	**1,486.60**	**722.27**	**12.32**	**1,304.25**	**123.09**	**1,291.41**	**-**	**4,939.94**	**-**
Net carrying amount March 31, 2017	**9,188.43**	**1,616.97**	**12.80**	**3,097.70**	**23.99**	**3,225.72**	**0.01**	**17,165.62**	**348.08**
Year ended March 31, 2018									
Gross carrying amount									
Opening gross carrying amount	10,675.03	2,339.24	25.12	4,401.95	147.08	4,517.13	**0.01**	**22,105.56**	**348.08**
Additions	-	4.10	1.21	-	0.72	380.05		**386.08**	647.21
Disposal/Transfer/Reclassification	(3,762.76)	-	-	(211.62)	-	(369.10)		**(4,343.48)**	-
Assets classified as Investment Properties								**-**	-
Closing gross carrying amount	**6,912.27**	**2,343.34**	**26.33**	**4,190.33**	**147.80**	**4,528.08**	**0.01**	**18,148.16**	**995.29**
Accumulated depreciation									
Opening accumulated depreciation	1,486.60	722.27	12.32	1,304.25	123.09	1,291.41	-	**4,939.94**	-
Depreciation charge during the year	752.29	363.84	3.53	645.84	6.61	652.81		**2,424.92**	-
Depreciation related to Disposal/ Transfer	-	-	-	(126.80)	-	(229.97)		**(356.77)**	-
Depreciation related to Assets classified as Investment Properties	(116.41)							**(116.41)**	-
Closing accumulated depreciation	**2,122.48**	**1,086.11**	**15.85**	**1,823.29**	**129.70**	**1,714.25**	**-**	**6,891.68**	**-**
Net carrying amount March 31, 2018	**4,789.79**	**1,257.23**	**10.48**	**2,367.04**	**18.10**	**2,813.83**	**0.01**	**11,256.48**	**995.29**

(i) Property, plant and equipment pledged as security Refer to note 27 for information on property, plant and equipment pledged as security by the group.

(ii) Capital work-in-progress mainly comprises lease hold improvments,furniture & fixtures.

4. Investment Properties

	Freehold Land	Building	Total
Year ended March 31, 2017			
Gross carrying amount			
Opening gross carrying amount	69.94	14,970.85	**15,040.79**
Additions	3,593.67	8,551.26	**12,144.93**
Assets classified as held for sale	(3,593.67)	(15,833.36)	**(19,427.03)**
Closing gross carrying amount	**69.94**	**7,688.75**	**7,758.69**
Accumulated depreciation and impairment			
Opening accumulated depreciation	-	172.25	**172.25**
Depreciation charge during the year	-	255.89	**255.89**
Deductions and adjustments	-	(273.82)	**(273.82)**
Closing accumulated depreciation	**-**	**154.32**	**154.32**
Net carrying amount March 31, 2017	**69.94**	**7,534.43**	**7,604.37**

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

	Freehold Land	Building	Total
Year ended March 31, 2018			
Gross carrying amount			
Opening gross carrying amount	69.94	7,688.75	**7,758.69**
Additions / Reclassification	2,868.31	3,514.94	**6,383.25**
Disposal/Transfer	-	(11.84)	**(11.84)**
Closing gross carrying amount	**2,938.25**	**11,191.85**	**14,130.10**
Accumulated depreciation and impairment			
Opening accumulated depreciation	-	154.32	**154.32**
Accumulated Depreciation on reclassification	-	116.41	**116.41**
Depreciation charge during the year	-	182.69	**182.69**
Depreciation related to Disposal/Transfer	-	(0.35)	**(0.35)**
Closing accumulated depreciation	**-**	**453.09**	**453.07**
Net carrying amount March 31, 2018	**2,938.25**	**10,738.78**	**13,677.03**

(i) Amounts recognised in profit or loss for investment properties

	As at March 31, 2018	As at March 31, 2017
Rental income	1,284.90	683.27
Direct operating expenses from property that generated rental income	138.20	68.46
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment properties before depreciation	1,146.70	614.82
Depreciation	182.70	154.75
Profit from investment properties	964.00	460.07

(ii) Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

	As at March 31, 2018	As at March 31, 2017
Within one year	627.67	675.64
Later than one year but not later than 5 years	2,053.08	2,491.53
Later than 5 years	-	110.00
Total	**2,680.75**	**3,277.17**

(iii) Fair value

	As at March 31, 2018	As at March 31, 2017
Investment properties	43,648.20	36,397.54

Estimation of fair value

The company obtains independent valuations for it's investment properties. The best evidence of fair value is current prices in an active market for similar properties

5(a). Investments

	As at March 31, 2018	As at March 31, 2017
a. <u>Investment in joint venture</u>		
Unquoted		
6,589 Equity Shares of Riddhi Siddhi Mall Management Private Limited	590.23	535.33
1,50,00,000 Equity Shares of Future Retail Destination Limited	-	1,466.93
25,000 Equity Shares of Utility Developers Private Limited	240.80	113.69
15,000 Equity Shares of Star Shopping Centres Private Limited	68.75	8.55
6,14,161 Equity Shares of Future Trade Markets Private Limited	-	3,873.68
Total (a)	**899.78**	**5,998.18**

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
b. Investment in preference shares of joint venture		
Unquoted		
257 0.01% Non Cumulative Optionaly Convertible Preference Shares of Riddhi Siddhi Mall Management Private Limited of ₹ 1,000/- each fully paid up.	931.64	931.64
Total (b)	**931.64**	**931.64**
c. Investment in equity instruments		
Fair value through other comprehensive income		
Unquoted		
11,425 Equity Shares of V.R.Procurement Corporation Private Limited	23.03	23.88
10,000 Equity Shares of Navika Developers Private Limited	1.00	1.00
10,000 Equity Shares of Shreya Mall Management Private Limited	1.00	1.00
10,000 Equity Shares of Ujjain Future Bazaar Private Limited	1.05	1.09
10,000 Equity Shares of Harmony Malls Mangement Private Limited	1.00	1.00
20,10,000 Equity Shares of Precision Realty Developers Private Limited	277.38	251.05
1,58,094 Equity Shares of Acute Realty Private Limited	919.98	1,000.20
Nil (1000) Equity Shares of F R Retail Destination Private Limited	-	0.10
10,000 Equity Shares of Niyman Mall Management Company Private Limited	11.55	11.83
10,000 Equity Shares of Ojas Mall Management Private Limited	1.06	1.02
43,582 Equity Shares of Nishta Mall Management Company Private Limited	1,005.66	966.98
2,17,272 Equity Shares of Unique Malls Private Limited	374.30	390.33
Total (c)	**2,617.01**	**2,649.48**
Non-current investments total (a+b+c)	**4,448.43**	**9,579.30**
Current		
UTI - Floating Rate Fund	2,369.60	-
Current investments total	**2,369.60**	**-**

5(b). Trade receivables

	As at March 31, 2018	As at March 31, 2017
Trade receivables:		
From Related Party	507.31	-
From Others	1,248.41	1,545.05
Total	**1,755.72**	**1,545.05**
Less: Allowance for bad and doubtful debts	(91.32)	(84.62)
Total Trade receivables	**1,664.40**	**1,460.43**
Breakup of securities details		
Secured, considered good		-
Unsecured, considered good	1,678.15	1,474.18
Doubtful	77.57	70.87
Total	**1,755.72**	**1,545.05**
Less: Allowance for doubtful debts	(91.32)	(84.62)
Total trade receivables	**1,664.40**	**1,460.43**

Refer to note 27 for information on trade receivables pledged as security by the company.

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

5(c). Loans

	As at March 31, 2018	As at March 31, 2017
Non Current		
Security Deposits	1,739.14	1,756.49
Loans and advances to others	1,618.93	2,518.05
Advance against purchase of shares	900.00	650.00
Total Non current loans and advances	**4,258.07**	**4,924.54**
Current		
Security Deposits	268.58	2,089.53
Loans and advances	7,512.10	7,549.62
Loans and advances to related parties	2,492.05	340.30
Total current loans and advances	**10,272.73**	**9,979.45**

5(d). Cash and cash equivalents

	As at March 31, 2018	As at March 31, 2017
Cash on hand	1.16	1.23
Balances with Banks		
In current accounts	889.90	694.88
Total Cash and cash equivalents	**891.06**	**696.11**

5(e). Bank Balances other than above

	As at March 31, 2018	As at March 31, 2017
Fixed Deposit*	206.50	6.50
Interest accrued on fixed deposit	0.65	0.18
Total Bank Balances other than above	**207.15**	**6.68**

*** Lien against Bank Guarantee (₹ 6.50 lakhs)**

5(f). Other financial assets

	As at March 31, 2018	As at March 31, 2017
Other non-current financial assets		
Considered good		
Bank deposits with more than 12 months maturity	16.36	15.28
Total Non-current financial assets	**16.36**	**15.28**
Other current financial assets		
Considered good		
Unbilled Revenue	141.27	6.81
Advance to Staff	17.59	7.80
Advance to others	106.90	-
Interest Accrued but not due	2.03	-
Total current financial assets	**267.79**	**14.61**

6. Current and deferred tax

6(a) Statement of profit and loss:

	March 31, 2018	March 31, 2017
(a) Income tax expense		
Current tax		
Current tax on profits for the year	19.84	1.81
Adjustments for current tax of prior periods	-	-
Total current tax (expense)	**19.84**	**1.81**

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

	March 31, 2018	March 31, 2017
Deferred tax		
Decrease (increase) in deferred tax assets	399.71	76.88
(Decrease) increase in deferred tax liabilities	-	-
Total deferred tax expense/(benefit)	399.71	76.88
Income tax expense	**419.55**	**78.69**

6(b) The reconciliation between the statutory income tax rate applicable to the group and the effective income tax rate of the group is as follows :

	March 31, 2018	March 31, 2017
Profit from operation before income tax expenses	(1,038.93)	(2,611.33)
Income tax rate @ 33.063%	(343.50)	(863.38)
Differences due to:		
Permanent Differences	2.14	28.59
Profit of share in associate and Joint Venture not taxable	542.11	(39.32)
Standard Deduction on Rental Income	(134.86)	(116.25)
Difference in tax rate of other group entity	(5.79)	7.63
Adjustment related to Unabsorbed Losses	339.14	1,078.35
Others	20.31	(16.92)
Income tax expenses	**419.55**	**78.70**

6(c) Deferred tax assets (Net)

	March 31, 2018	March 31, 2017
Net Deferred Tax Asset		
Tax losses	5,027.86	5,027.86
Defined befefit obligation	-	(1.49)
Increase in Deferred tax assets	-	-
Provisions	12.47	8.63
Fair valuation of financials assets-P&L (Net)	133.67	381.95
Fair valuation of financials assets-OCI (Net)	155.66	154.03
Property Plant & Equipment	1,094.94	1,218.62
MAT credit entitlement	679.17	679.17
Freehold Land	8.32	7.41
Defined benefit obligation	(1.89)	-
Net Deferred Tax Asset	**7,110.20**	**7,476.18**
Net Deferred Tax Liabilities		
Tax losses	513.96	534.47
Fair valuation of financials assets-OCI (Net)	(109.54)	(131.52)
Property, plant and equipment	(409.41)	(409.40)
Fair valuation of financials assets-P&L (Net)	(16.99)	(5.00)
Net Deferred Tax Liabilities	**(21.98)**	**(11.45)**
Deferred tax assets (net)	**7,088.22**	**7,464.73**

6(d) Tax losses

Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the group

	March 31, 2018	March 31, 2017
Unused tax losses for which no deferred tax asset has been recognised	3,571.57	2,584.19
Potential tax benefit @ 33.063%	1,180.87	854.41

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

6(e) Movement in deferred Tax (Liabilities)/Assets

	Provisions	Unabsorbed Tax Losses	Fair valuation of financial asstes	Property Plant & Equipment	Freehold Land	MAT credit entitlement	Total
At March 31, 2016	**7.89**	**5,668.45**	**486.97**	**529.72**	**6.22**	**679.17**	**7,378.42**
(Charged)/credited:							
- to profit or loss	1.40	(106.11)	(313.47)	340.11	1.19	-	(76.88)
- to other comprehensive income	(2.15)	-	165.35	-	-	-	163.20
- Deferred tax on basis adjustment	-	-	-	-	-	-	-
At March 31, 2017	**7.14**	**5,562.34**	**338.85**	**869.83**	**7.41**	**679.17**	**7,464.74**
(Charged)/credited:							
- to profit or loss	3.85	(20.52)	(260.27)	(123.69)	0.92	-	(399.71)
- to other comprehensive income	(0.41)	-	23.60	-	-	-	23.19
- Deferred tax on basis adjustment	-	-	-	-	-	-	-
At March 31, 2018	**10.58**	**5,541.82**	**102.18**	**746.14**	**8.33**	**679.17**	**7,088.22**

7. Other assets

	As at March 31, 2018	As at March 31, 2017
Other non-current assets		
Security Deposits	0.25	-
Business Advance - Related Party	171.91	240.68
Capital Advance	3,355.00	3,650.00
Balances with Govt. Authorities	397.68	351.39
Prepaid Expense	340.34	384.15
Total Other Non-current assets	**4,265.18**	**4,626.22**
Other current assets		
Security Deposits	5.87	5.86
Business Advance	1,608.58	1,506.63
Balances with Govt. Authorities	63.43	38.53
Prepaid Expense	83.22	177.06
Advance to others	18.02	-
Total Other current assets	**1,779.12**	**1,728.08**

8. Inventories

	As at March 31, 2018	As at March 31, 2017
Finished Shops	918.71	929.80
Total Inventories	**918.71**	**929.80**

9. Assets classified as held for sale

	As at March 31, 2018	As at March 31, 2017
Buildings	6,277.75	7,708.03
Assets of Naman Mall Management Company Private Limited	-	12,962.14
Total	**6,277.75**	**20,670.17**

In July 2016, the Board of directors resolved to dispose 10 Acres Mall situated at Ahmedabad which is vested with the Company through an approved scheme of amalgamation. The buyer has been identified and the part of the property has been transferred. The balance sale portion is expected to be completed within next 12 months. The asset is presented separately under assets held for sale

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

Non-recurring fair value measurements

Assets classified as held for sale during the reporting period was measured at the lower of its carrying amount and fair value less costs to sell at the time of reclassification. The fair value of the assets was based on the proposed sales considertion negotiated with the buyer.

10(a). Equity Share capital

	As at March 31, 2018	As at March 31, 2017
Authorised		
90,260,000 Equity Shares [March 31, 2017: 90,260,000] of ₹ 10/- each	9,026.00	9,026.00
5,000 Preference Shares [March 31, 2017: 5,000] of ₹ 100/- each	5.00	5.00
Total	**9,031.00**	**9,031.00**
Issued Capital*		
56,291,851 Equity Shares [March 31, 2017: 56,291,851] of ₹ 10/- each	5,629.19	5,629.19
Total	**5,629.19**	**5,629.19**
*includes 570 shares held in abeyance		
Subscribed and paid up		
56,291,281 Equity Shares [March 31, 2017: 56,291,281] of ₹ 10/- each	5,629.13	5,629.13
Total	**5,629.13**	**5,629.13**

a) Movements in Equity Share Capital

	As at March 31, 2018		As at March 31, 2017	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	56,291,281	5,629.13	56,171,156	5,617.12
Add: ESOP shares issued during the year	-	-	120,125	12.01
Balance as at the end of the year	**56,291,281**	**5,629.13**	**56,291,281**	**5,629.13**

Terms and Rights attached to equity shares:-

The group has only one class of equity shares having a par value of ₹ 10 per share. Each holder is eligible to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the group after distribution of all preferential amounts in proportion of their shareholding.

Equity shares allotted as fully paid-up (during 5 years preceding March 31, 2018) including equity shares issued pursuant to contract without payment being received in cash

(ii) In Financial Year 2015-16 - Allotted 3,16,750 equity shares of ₹ 10/- each under FMNL - ESOS 2012 on December 11, 2015.

(iii) In Financial Year 2016-17 - Allotted 1,20,125 equity shares of ₹ 10/- each under FMNL - ESOS 2012 on December 14, 2016.

b) Details of shares held by shareholders holding more than 5% of the agrregate equity shares in the group.

	As at March 31, 2018		As at March 31, 2017	
	Number of shares	% held	Number of shares	% held
Suhani Trading & Investment Consultants Private Limited	41,129,343	73.06%	-	0.00%
Manz Retail Private Limited	-	0.00%	16,430,824	29.19%
Future Corporate Resources Limited	-	0.00%	15,176,754	26.96%
Weavette Business Ventures Limited	-	0.00%	8,563,367	15.21%
Ishbhoomi Fabtraders Private Limited	4,309,260	7.66%	4,615,516	8.20%
	45,438,603	**80.72%**	**44,786,461**	**79.56%**

Pursuant to the scheme of amalgamation of Manz Retail Private Limited, ESES Commercials Private Limited, PIL Industries Limited, Future Corporate Resources Limited, Gargi Business Ventures Private Limited, Weavette Business Ventures Limited merged with Suhani Trading and Investment Consultants Private Limited and their respective shareholders sanctioned by the National Company Law Tribunal, Mumbai Bench vide order dated October 18, 2017 and filed with ROC on November 14, 2017, the shares held by transferor companies in Future Market Networks Limited now vested with Suhani Trading and Investment Consultants Private Limited.

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

10(b). Other Equity

	As at March 31, 2018	As at March 31, 2017
Reserve and surplus		
Capital Reserve	8,004.69	8,004.69
Securities Premium	25,291.33	25,291.33
Share Option Outstanding Account	-	-
Retained Earnings	(21,320.58)	(19,858.12)
Subordinated Debt	4,905.97	4,905.97
Other Reserves	(4,619.97)	(4,609.02)
Total	**12,261.44**	**13,734.85**

		As at March 31, 2018	As at March 31, 2017
(i)	**Capital Reserve**		
	Opening Balance	8,004.69	7,474.75
	Movement during the year	-	529.94
	Closing Balance	**8,004.69**	**8,004.69**
(ii)	**Securities Premium**		
	Opening Balance	25,291.33	25,267.13
	Exercise of options	-	21.80
	Share issued	-	2.40
	Closing Balance	**25,291.33**	**25,291.33**
(iii)	**Share Option Outstanding Account**		
	Opening Balance	-	19.69
	Add:Employee Stock option expenses	-	2.11
	Less:Exercise of option	-	(21.80)
	Closing Balance	**-**	**-**
(iv)	**Retained Earnings**		
	Opening Balance	(19,858.12)	(17,168.48)
	Add: profit for the year	(1,463.29)	(2,694.01)
	Items of other comprehensive income recognised directly in retained earnings:		
	Remeasurements of post-employment benefit obligation & Deferred Tax (Acturial Gains)	0.83	4.37
Closing Balance		**(21,320.58)**	**(19,858.12)**

10(b).Other Equity

	As at March 31, 2018	As at March 31, 2017
Other Reserves		
Opening Balance	(4,609.02)	(4,283.54)
Change in fair value of FVOCI equity instruments & Deferred Tax there-on (Fair Value)	(10.95)	(325.48)
Deductions during the year	-	-
Closing Balance	**(4,619.97)**	**(4,609.02)**

Nature and purpose of other reserves

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

FVOCI equity investments

The group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

11(a). Borrowings

	As at March 31, 2018	As at March 31, 2017
Non Current		
Secured		
Term loans from banks	8,411.27	16,191.93
Less: Current Maturities of long term borrowing	(4,678.38)	(7,780.24)
Less: Interest Accrued	-	-
Unsecured		
Loans from related party	-	-
Other Loans	311.20	268.19
Total Non current Borrowing	**4,044.09**	**8,679.88**

Nature of security	Terms of Repayment
Term Loan from Bank balance outstanding amounting to ₹ NIL lakhs (March 31, 2017 : ₹ 750.00 lakhs) is secured by First Pari Passu charge on all the current assets at the Malls of the Company (b) Hypothecation of all the movable properties at the Malls of the Company (c) First Pari Passu charge / assignment of all the revenues and receivables, trust and retention account and any other bank account of the Malls of the company (d) Personal Guarantee of the Promoters	Repayable in 20 quarterly installments starting from Dec. 2012. Last installment due in Sept. 2017. Rate of interest - 4% above the Base Rate (Previous Year Effective Rate - 13.55%)
Term Loan from Bank balance outstanding amounting to ₹ 1,304.01 lakhs (March 31, 2017 : ₹ 5,972.19 lakhs) are secured by (a) Charge on Assets of ₹ 10,500 Lakhs created out of the proposed Term Loan. (b) First Pari Passu Charge on the movable fixed assets pertaining to the mall management division of the company amounting to ₹ 100 cr (c) Second Pari Passu charge on the immovable property owned by Bansi Mall Management Company Private Limited (d) Personal Guarantee of the Promoters	Repayable in 14 quarterly installments starting from March 2015. Last installment due in June 2018. Rate of interest - MCLR (1 Year) +4% = 12.40% (Previous Year - 13.70% p.a.)
Term Loan from Bank balance outstanding amounting to ₹ 6,500.00 lakhs (March 31, 2017 : ₹ 8,500.00 lakhs) are secured by (a) Charge on Assets created out of the proposed Term Loan. (b) First pari pasu charge on the immovable property owned by Bansi Mall Management Company Private Limited Located at SOBO Central Mall (c) Corporate Guarantee of Bansi Mall Management Company Private Limited (d) Personal Guarantee of the Promoters	Repayable in 16 quarterly installments starting from June 2016. Last installment due in June 2020. Rate of interest - MCLR (1 Year) + 3.75 Present Effective Rate - 12.35%.p.a. (12.35% p.a)
Term Loan from Bank balance outstanding amounting to ₹ 623.26 lakhs (March 31, 2017 : ₹ 1,004.40 lakhs) is secured by Hypothecation of lease rent receivables from Future Lifestyle Fashions Limited. Collateral : Equitable mortgage of mall located at plot Bearing T.S No 145 part of Mart Ward , Block No 6, main Road, Visakhapatnam, Andra Pradesh	Repayable in 108 quarterly installments starting from Feb 2011. Last installment due in Jan . 2020. Rate of interest - 4% above the Base Rate Present Effect Rate - 12.95% p.a. (Previous Year - 13.35% p.a.)

Current		
Secured		691.78
Bank Overdraft	-	-
Unsecured	-	-
Loans from related party	14,911.06	-
Other Loans	159.96	17,191.03
Less: Interest Accrued	(31.27)	(8.81)
Total Current Borrowing	**15,039.75**	**17,874.00**

Secured borrowings and assets pledged as security

i) Bank overdraft secured by first and pari-passu hypothecation charge of all existing and future current assets including receivables of the borrower and personal guarantee of shareholder.

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in note 27

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

11(b). Other financial liabilities

	As at March 31, 2018	As at March 31, 2017
Non Current		
Security deposits:		
From Related Parties	262.43	-
From Others	8,771.24	3,974.45
Total Non-current financial liabilities	**9,033.67**	**3,974.45**
Current		
Security deposits:		
From Related Parties	29.04	-
From Others	3,417.58	2,998.21
Total	**3,446.62**	**2,998.21**
Current Maturities of Long-Term Borrowings	4,678.38	7,780.24
Interest accrued but not due	31.28	-
Advance received against sale of Investment	-	200.00
Corpus Funds	14.78	19.32
Other payables (Retention Money)	1,836.32	1,750.34
Total Current financial liabilities	**10,007.38**	**12,748.11**

11(c). Trade payables

	As at March 31, 2018	As at March 31, 2017
Trade payables :		
Related Parties	39.23	-
Others	1,383.70	1,631.72
Total Trade payables	**1,422.93**	**1,631.72**

12. Employee benefit obligations

	As at March 31, 2018	As at March 31, 2017
Non Current		
Gratuity	21.10	13.64
Leave entitlement	10.41	7.62
Total Non current Employee benefit obligations	**31.51**	**21.26**
Current		
Gratuity	0.30	0.20
Leave entitlement	0.20	0.14
Total current Employee benefit obligations	**0.50**	**0.34**

13. Other liabilities

	As at March 31, 2018	As at March 31, 2017
Non Current		
Deferred Rent Income	601.73	702.06
Total Other Non-current liabilities	**601.73**	**702.06**
Current		
Statutory dues (including provident fund, tax deducted at source and others)	277.42	191.53
Advance from customers	10,680.92	10,103.57
Deferred Rent Income	1,152.68	492.13
Other payables	397.90	463.39
Total Other current liabilities	**12,508.92**	**11,250.62**

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

14. Disclosure as per Indian Accounting Standard 19 - Employee Benefits

Defined Contribution Plan

Provident Fund

The contributions to the Provident Fund of the employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution. Employer's Contribution to Provident Fund amounting to ₹ 16.21 Lakhs (previous year ₹ 12.99 Lakhs) has been recognized as an expense in the Statement of Profit and Loss.

Defined Benefit Plan

Gratuity

The Company operates a gratuity plan administered by LIC. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or company scheme whichever is beneficial. The same is payable at the time of separation from the company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Gratuity	
	As at March 31, 2018	**As at March 31, 2017**
Opening defined benefit obligation	**13.86**	**15.25**
Current service cost	7.77	5.08
Interest expense/(income)	1.01	1.16
Total amount recognised in profit and loss	**8.78**	**6.24**
Remeasurements		
(Gain)/loss from change in financial assumptions	(0.81)	1.04
Experience (gains)/losses	(0.43)	(7.56)
Total amount recognised in other comprehensive income	**(1.24)**	**(6.52)**
Employer contributions	-	(1.11)
Closing defined benefit obligation	**21.40**	**13.86**

The net liability disclosed above relates to unfunded plans are as follows:

	Gratuity	
	As at March 31, 2018	**As at March 31, 2017**
Defined benefit obligation	21.40	13.86
Fair value of plan assets	-	-
Surplus /(Deficit)	**21.40**	**13.86**
Effect of assets ceiling	-	-
Net Defined Benefit Liability/(Assets)	**21.40**	**13.86**

Significant estimates: Actuarial assumptions

The significant actuarial assumptions were as follows:

	Gratuity	
	As at March 31, 2018	**As at March 31, 2017**
Financial Assumptions		
Discount rate	7.70%	7.40%
Salary growth rate	5.00%	5.00%
Demographic Assumptions		
Mortality Rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
Withdrawal Rate	1.00%	1.00%
Retirement age	58 years	58 years

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Gratuity	
	As at March 31, 2018	**As at March 31, 2017**
Discount rate		
a. Discount rate -100 basis point	24.23	15.81
b. Discount rate+100 basis point	18.98	12.16
Salary growth rate		
a. Rate -100 basis point	18.90	12.50
b. Rate+100 basis point	24.00	15.38

Expected Future Cash Flows

	As at March 31, 2018	**As at March 31, 2017**
Year 1	0.31	0.20
Year 2	0.33	0.22
Year 3	1.31	0.26
Year 4	0.45	0.53
Year 5	0.47	0.33
Year 6 to 10	2.88	2.15

15. Revenue from Operations

	Year ended March 31, 2018	**Year ended March 31, 2017**
Sales	52.01	469.86
Less: Vat / Sales Tax	-	1.07
	52.01	**468.79**
Rent and other related revenues	8,346.30	8,201.66
Project Mangement Consultancy	26.45	29.12
Total	**8,424.76**	**8,699.57**

16. Other income

	Year ended March 31, 2018	**Year ended March 31, 2017**
Interest income		
On bank deposits	5.86	0.46
On others	1,862.10	2,433.07
Income From Debtors Assignment	123.00	-
Profit on sale of Fixed Assets	1,129.51	325.08
Profit on sale of Investment	200.14	-
Fair Valuation of Investments	47.57	-
Excess Provision Written Back	-	507.90
Sale of Scrap	0.03	9.52
Miscellaneous Income	5.43	31.16
Total	**3,373.64**	**3,307.19**

17. Operating Cost

	Year ended March 31, 2018	**Year ended March 31, 2017**
Mall Maintenance Charges	145.10	170.06
Rent including lease rentals	4,797.52	4,579.30
Management Consultancy Charges	23.85	-
Total	**4,966.47**	**4,749.36**

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

18. Cost of Units sold

	Year ended March 31, 2018	Year ended March 31, 2017
Cost of units sold	39.28	384.66
Total	**39.28**	**384.66**

19. Employee benefits expense

	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, Wages and Bonus	436.88	433.96
Contribution to Provident and Other Funds	30.08	24.18
Employees stock option scheme	-	1.89
Staff Welfare Expenses	2.86	7.60
Total	**469.82**	**467.63**

20. Finance costs

	Year ended March 31, 2018	Year ended March 31, 2017
Interest Expenses	2,439.54	4,345.00
Other Borrowing costs	17.58	15.59
Total	**2,457.12**	**4,360.59**

21. Depreciation and amortization expense

	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on Property, Plant and Equipment	2,424.92	2,580.33
Depreciation on Investment property	182.69	154.75
Total	**2,607.61**	**2,735.08**

22. Other expenses

	Year ended March 31, 2018	Year ended March 31, 2017
Power and Fuel	203.45	45.53
Repairs and Maintenance - Others	86.61	76.32
Rent including lease rentals	-	47.82
Auditors' Remuneration		
Statutory Audit Fees	7.26	5.00
Tax Audit Fees	0.50	0.50
Other Services	0.90	2.73
Rates and Taxes	119.88	494.31
Insurance	16.49	18.55
Legal and Professional Fees	135.08	192.48
Listing Fees/Custodian Charges	10.70	9.51
Management Consultancy Charges	50.00	25.00
Director Sitting Fees	16.05	14.67
Provision for Doubtful Debts	32.58	-
Travelling and Conveyance Expenses	25.64	18.84
Sundry Balance Written Off	-	205.95
Water Charges	9.33	13.43
Other Expenses	92.36	62.75
Loss on discard of fixed assets	-	407.57
Total	**806.83**	**1,640.96**

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

23. Fair value measurements

23(a) Financial instruments by category

	March 31, 2018			March 31, 2017		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
-Equity Instruments	-	2,617.01	-	-	2,649.48	-
-Mutual Funds	2,369.60	-	-	-	-	-
Loans	-	-	14,530.80	-	-	14,903.99
Trade receivables	-	-	1,664.40	-	-	1,460.43
Cash and cash equivalents	-	-	891.06	-	-	696.11
Bank Balances other than above	-	-	207.15	-	-	6.68
Other financial assets	-	-	284.15	-	-	29.89
Total financial assets	**2,369.60**	**2,617.01**	**17,577.56**	**-**	**2,649.48**	**17,097.10**
Financial liabilities						
Borrowings	-	-	19,083.84	-	-	26,553.88
Deposits from customer	-	-	9,033.67	-	-	3,974.45
Other financial liabilities	-	-	10,007.38	-	-	12,748.11
Trade payables	-	-	1,422.93	-	-	1,631.72
Total financial liabilities		**-**	**39,547.82**		**-**	**44,908.16**

23(b) Fair value hierarchy

Investment in Mutual Funds which are measured at Fair Value through Profit andf Loss Account are measured under Level 1.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed are calculated under Level 3 except loans and security deposits which is measured at Level 2.

Investment in Equity Shares which are measured at Fair Value through Other Comprehensive Income are measured under Level 3.

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended March:

	Investment in - Equity instruments
As at March 31, 2016	**3,170.16**
Conversion of loan into equity shares	-
Gains/(losses) recognised in Other Comprehensive Income	(520.68)
As at March 31, 2017	**2,649.48**
Sale of Investment	(0.10)
Gains/(losses) recognised in Other Comprehensive Income	(32.37)
As at March 31, 2018	**2,617.00**

Valuation processes

The group has obtained assistance of independent and competent third party valuation experts to perform the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the group and the valuer on periodic basis. Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

23(c) Fair value of financial assets and liabilities measured at amortised cost

	March 31, 2018		March 31, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Loans	14,530.80	14,575.98	14,903.99	14,988.24
Trade receivables	1,664.40	1,664.40	1,460.43	1,460.42
Cash and cash equivalents	891.06	891.06	696.11	696.11
Bank Balances other than above	207.15	207.15	6.68	6.68
Other financial assets	284.15	284.15	29.89	29.89
Total financial assets	**17,577.56**	**17,622.74**	**17,097.10**	**17,181.34**
Financial liabilities				
Borrowings	19,083.84	19,083.84	26,553.88	26,553.88
Deposits from customer	9,033.67	9,140.78	3,974.45	4,051.01
Other financial liabilities	10,007.38	10,007.38	12,748.11	12,748.11
Trade payables	1,422.93	1,422.93	1,631.72	1,631.72
Total financial liabilities	**39,547.82**	**39,654.93**	**44,908.16**	**44,984.72**

The following methods and assumptions were used to estimate the fair values:

1. Fair value of trade receivables, trade payables, cash and cash equivalent, Bank balances other than above, other financial assets and other financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.
2. The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 2 in the fair value hierarchy due to the inclusion of observable inputs.
3. The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.
4. For financial assets and liabilities that are measured at fair value, the carriying amounts are equal to the fair values.
5. The fair value of the long-term Borrowings with floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company's borrowing (since the date of inception of the loans). Further, the Company has no long-term Borrowings with fixed rate of interest.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

24. Financial risk management

The group's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The group's senior management has overall responsibility for the establishment and oversight of the group's risk management framework. The group's risk are reviewed regularly to reflect changes in market conditions and the group's activities.

A. <u>Market risks</u>

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The group is not exposed to any foreign currency risk as neither operates internationally nor has any foreign currency transaction.

(a) Price Risk - Exposure:

The group's exposure to equity securities price risk arises from investments held by the group and classified in the balance sheet at fair value through OCI. To manage its price risk arising from investments in equity securities, the group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the group.

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

	March 31, 2018	March 31, 2017
BSE Sensex 30- Increase 5%	118.48	-
BSE Sensex 30- Decrease 5%	(118.48)	-

Above referred sensitivity pertains to investment in quoted securities . Profit for the year would increase/(decrease) as a result of gains/ (losses) on the same as at fair value through profit or loss.

(b) Interest rate risk

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

	March 31, 2018	March 31, 2017
Variable rate borrowings	**8,411.27**	**16,883.71**
Percentage of variable rate borrowings to total borrowings	36%	50%
Total borrowings	**23,451.02**	**34,065.94**

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	Impact on profit after tax	
	March 31, 2018	March 31, 2017
Interest rates – increase by 50 basis points*	(42.06)	(84.42)
Interest rates – decrease by 50 basis points*	42.06	84.42

**Holding all other variables constant*

B. Credit Risks

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables).

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management.

The group measures the expected credit loss of trade receivables and loan & advances customers wise based on historical trend. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, adequate provision for the loss on collection of receivable has been made.

Movement in provisions of doubtful debts

	As at March 31, 2018	As at March 31, 2017
Opening provision	**84.63**	**666.64**
Add:- Additional provision made	32.58	-
Less:- Provision write off	25.89	74.11
Less:- Provision reversed	-	507.90
Closing provisions	**91.32**	**84.63**

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

C. Liquidity Risk:

Liquidity risk is the risk that the group will face in meeting its obligations associated with its financial liabilities. The group's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the group's credit rating and impair investor confidence.

The following table shows the maturity analysis of the group's financial liabilities based on contractually agreed undiscounted cash flows as at the balance sheet date:

Maturity patterns of liabilities:

	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2018				
Trade payables	1,422.93	1,422.93	-	**1,422.93**
Borrowings	19,099.84	15,039.75	4,060.09	**19,099.85**
Other Financial liabilities	20,972.17	10,007.38	10,964.79	**20,972.17**
Other Non Financial liabilities	11,356.24	11,356.24	-	**11,356.24**

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2017				
Trade payables	1,631.72	1,631.72	-	**1,631.72**
Borrowings	26,588.54	17,874.00	8,714.54	**26,588.54**
Other Financial liabilities	18,142.34	12,748.11	5,394.23	**18,142.34**
Other Non Financial liabilities	10,758.48	10,758.48	-	**10,758.48**

D. Capital Management

The group aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to the shareholders.

The capital structure of the group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group does not distribute dividend to the shareholders.

25. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the group The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the group. Entire group has been as one reportable segment based on the information reviewed by CODM.

(a) Description of segments and principal activities

The group is engaged in the business of building capacity and enabling the infrastructure for future markets in a more efficient and cost effective manner. It aims to create a network of new markets by integrating and better organizing the modern wholesale trade, retail and logistics infrastructure in India

(b) Segment revenue

The group operates as a single segment. The segment revenue is measured in the same way as in the statement of profit or loss.

Segment	As at March 31, 2018		As at March 31, 2017	
	Revenue from external customers	Total segment revenue	Revenue from external customers	Total segment revenue
Mall Management	8,424.76	8,424.76	8,699.57	8,699.57
Total segment revenue	**8,424.76**	**8,424.76**	**8,699.57**	**8,699.57**

The group is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

Revenue from external customers	As at March 31, 2018	As at March 31, 2017
India	8,424.76	8,699.56
Outside India	-	-
Total	**8,424.76**	**8,699.56**

(c) Segment assets

The group is domiciled in India. The amount of Non current assets broken down by location of the customers is shown in the table below.

Non current assets*	As at March 31, 2018	As at March 31, 2017
India	32,920.29	37,568.59
Outside India	-	-
Total	**32,920.29**	**37,568.59**

*Other than financial instruments and deferred tax assets

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

(d) Major Customer

Total 1 no of customers are contributing more than 10% of the total revenue of the group

Major Customer	As at March 31, 2018	As at March 31, 2017
Customer 1	1,310.72	1,351.63

26. Earnings per share

	As at March 31, 2018	As at March 31, 2017
(a) Basic and diluted earnings per share (in ₹)		
Profit attributable to the equity holders of the group from Continuing Operations	(1,463.29)	(2,295.25)
Total basic earnings per share attributable to the equity holders of the group	(2.60)	(4.08)
Total diluted earnings per share attributable to the equity holders of the group	(2.60)	(4.08)
Profit attributable to the equity holders of the group from Discontinuing Operations	-	398.76
Total basic earnings per share attributable to the equity holders of the group	-	(0.71)
Total diluted earnings per share attributable to the equity holders of the group	-	(0.71)
Profit attributable to the equity holders of the group from Continuing & Discontinuing Operations	(1,463.29)	(2,694.00)
Total basic earnings per share attributable to the equity holders of the group	(2.60)	(4.79)
Total diluted earnings per share attributable to the equity holders of the group	(2.60)	(4.79)
(b) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	56,291,281	56,206,700
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	56,291,281	56,206,700

27. Assets pledge as security

The carrying amounts of assests pledged as security for current and non - current borrowings are :

	As at March 31, 2018	As at March 31, 2017
Current Assets		
Financial Assets		
First Charge		
- Trade Receivables	33.61	1,421.28
Total Current Assets pledged as Security	**33.61**	**1,421.28**
Non-Current Assets		
First Charge		
Property, Plant and Equipment	11,256.48	16,637.30
Capital Work-in-Progress	-	-
Investment Properties	6,329.03	7,604.36
Assets Held for Sale	6,277.75	7,708.03
Total Non Current Assets pledged as Security	**23,863.26**	**31,949.69**
Total Assets pledged as Security	**23,896.87**	**33,370.97**

28. Share based payments

(a) Employee option plan/ Tradable Options

Future Market Networks Limited (FMNL) has granted options to eligible employees on September 24, 2012 under Employee Stock Option Scheme 2012 ("ESOS 2012"). These options shall vest over a period of four years in the proportion of 25% for each year from the date of grant. These options can be exercised anytime within a period of three years from the date of vesting.

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

The details pertaining to number of options, weighted average price and assumptions considered for fair value are disclosed below:

Particulars	As at March 31, 2018		As at March 31, 2017	
	Weighted Average Exercise price	No. of options	Weighted Average Exercise price	No. of options
Options outstanding at the beginning of the period	-	-	12	122,250
Options granted during the period	-	-	-	-
Exercised during the period	-	-	12	(120,125)
Expired during the period	-	-	-	-
Forfeited during the period	-	-	12	(2,125)

Options outstanding at the end of the period

Options vested and exercisable at the end of the period

(c) Effect of share-based payment transactions on the entity's profit or loss for the period and on its financial position:

Total expenses arising from share-based payment transactions on account of Share option plans recognised in consolidated profit or loss as part of employee benefit expense were as follows:

Particulars	March 31, 2018	March 31, 2017
Employee compensation expense	-	1.89

Effect of the employee share option plan on the consolidated financial statements is as follows:

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred employee compensation reserve	-	-

All options outstanding has been exercised on or before the year ended March 31, 2017.

(d) Method and Assumptions Used to Estimate the Fair Value of Options Granted During the Year:

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

1. Risk Free Interest Rate	7.45%
2. Expected Life	2.5
3. Expected Volatility	70.70%
4. Dividend Yield	0.00%
5. Price of the Underlying Share in Market at the Time of the Option Grant	23.95

29. Related party transactions

In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given in the table below:

(a) Name of related parties and related parties relationship:-

Name of Related Parties	Relationship	
	March 31, 2018	March 31, 2017
PAN India Food Solutions Private Limited	Director Interested	-
Splender Fitness Private Limited		Director Interested
Galaxy Entertainment Corporation Limited		
Retail Light Techniques India Limited		
Naman Mall Management Company Private Limited (wholly owned subsidiary upto 30/09/2017)		
Future Trade Markets Private Limited (till 16/08/2017)	Joint Venture	Joint Venture
Future Retail Destination Limited (till 31/05/2017)		
Star Shopping Centres Private Limited		
Riddhi Siddhi Mall Management Private Limited		
Utility Developers Private Limited		
Sattva Realtors Limited (till 16/08/2017)	-	

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

Name of Related Parties	Relationship	
	March 31, 2018	March 31, 2017
Future Corporate Resources Limited	-	Investing Parties
Manz Retail Private Limited		
Weavette Business Ventures Limited		
Ishbhoomi Fabtraders Private Limited	Investing Parties	
Suhani Trading & Investment Consultants Private Limited (w.e.f. 14.10.2017)	Holding Company	-
Future Retail Limited (w.e.f. 14.10.2017)	Associate of Holding Company	
Praxis Home Retail Limited (w.e.f. 14.10.2017)		
Future Outdoor Media Solutions Limited	Subsidairy of Holding Company	-
Retail Trust (w.e.f. 14.10.2017)	Ultimate Parent Entity	
Mr. Anil Cherian	Key Managerial Personnel (KMP)	Key Managerial Personnel (KMP)
Mr. Pawan Agarwal		
Mr. Pramod Arora (w.e.f. 14.08.2017)	Whole Time Director	-
Ms. Ritu Pawan Agarwal	Relative of KMP	Relative of KMP
Ms. Jollamma Anil Cherian		
Mr. Sunil Biyani	Managing Director	Managing Director
Mr. Rajesh Kalyani	Director	Director
Ms. Udita Jhunjhunwala		
Mr. Vijai Singh Dugar		
Mr. K.A Somayajulu		

(b) Key management personnel compensation

Particulars	March 31, 2018	March 31, 2017
Short-term employee benefits	211.86	79.13
Post-employment benefits	19.59	7.84
Employee share-based payment	-	7.50
Total	**231.45**	**94.47**

(c) The Following transactions were carried out with the Related Parties in the ordinary course of business:-

Nature of Transaction	Joint Ventures	Investing Parties	Relative of KMP	Directors	Director Interested	Associate of the Holding Company	Subsidiary of the Holding Company
Interest Income	**48.70**	-	-				
	23.11						
Project Management Consultancy	-	-	-	-	-	-	-
	6.84	-	-	-	-	-	-
Lease Rent Expenses	-	-	**6.72**	-	-	**22.46**	-
	-	-	*5.88*	-	-	-	-
Reimbursement of Expenses	-	-	-	**1.10**	-	**16.78**	-
	-	-	-	-	-	-	-
Sitting Fees	-	-	-	**13.15**	-	-	-
	-	-	-	*11.10*	-	-	-
Investment in shares	-	-	-	-	-	-	-
	111.12	-	-	-	-	-	-
Share application money Given	-	-	-	-	-	-	-
	112.59	-	-	-	-	-	-
Share application money received back	-	-	-	-	-	-	-
	1.47	-	-	-	-	-	-
Advances /Loans given net off received back	**352.07**	-	-	-	-	-	-
	163.17	-	-	-	-	-	-

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

Nature of Transaction	Joint Ventures	Investing Parties	Relative of KMP	Directors	Director Interested	Associate of the Holding Company	Subsidiary of the Holding Company
Advances /Loans taken net off repaid back	-	-	-	-	-	**(2,935.11)**	-
	-	*(486.00)*	-	-	-	-	-
Purchase	-	-	-	-	**1.41**	-	-
	-	-	-	-	-	-	-
Rent Income	-	-	-	-	**6.13**	**586.21**	-
	-	-	-	-	-	-	-
Income from Debtors Assignment	-	-	-	-	**123.00**	-	-
	-	-	-	-	-	-	-
Promotor Contribution	-	-	-	-	-	-	-
	-	*1,839.97*	-	-	-	-	-
Business Advance Given	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Business Advance Given Recived back Net	**(68.77)**	-	-	-	-	-	-
	42.68	-	-	-	-	-	-
Shares issued under ESOP Scheme (at issue price)	-	-	-	-	-	-	-
	-	-	-	*6.00*	-	-	-
Outstanding Balance as at March 31, 2018	-	-	-	-	-	-	-
Receivable	-	-	-	-	-	**507.31**	-
	(43.88)	-	-	-	-	-	-
Payables	-	-	-	-	-	**39.22**	-
	-	-	-	-	-	-	-
Subordinated Debt	-	**4,905.97**	-	-	-	-	-
	-	*4,905.97*	-	-	-	-	-
Loans & Advances	**663.95**	-	-	-	-	-	**2,000.00**
	577.98	-	-	-	-	-	-
Loan / Advance Taken	-	**450.00**	-	-	-	**14,911.06**	-
	-	-	-	-	-	-	-
Security Deposits Taken	-	-	-	-	-	**453.00**	-
	-	-	-	-	-	-	-

Note : Figures in italic font represents previous year's figures.

(d) Significant Related Party transactions:-

Nature of Transaction	Name of the Company	March 31, 2018	March 31, 2017
Interest Income	Riddhi Siddhi Mall Management Private Limited	48.70	-
Project Management Consultancy	Future Trade Markets Private Limited	-	6.84
Lease Rent Expenses	Ms. Jollamma Anil Cherian	3.36	2.94
	Ms. Ritu Pawan Agarwal	3.36	2.94
Reimbursement of Expenses	Sun City Properties Private Limited	-	10.84
Remuneration to KMP	Mr. Pawan Agarwal	48.16	46.58
	Mr. Anil Cherian	36.48	40.05
	Mr. Pramod Arora	127.22	-
Sitting Fees / ESOP	Mr. Rajesh Kalyani (Sitting Fees)	2.80	3.30
	Mr. Rajesh Kalyani (ESOP Shares)	-	6.00
	Mr. Vijai Singh Dugar (Sitting Fees)	5.60	3.60
	Mr. K.A Somayajulu (Sitting Fees)	3.60	3.60
Share application money given	Riddhi Siddhi Mall Management Private Limited	-	111.12

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

Nature of Transaction	Name of the Company	March 31, 2018	March 31, 2017
Investment in Shares	Riddhi Siddhi Mall Management Private Limited	-	111.12
Loan Given net off received Back	Future Retail Destination Limited	-	54.68
	Riddhi Siddhi Mall Management Private Limited	351.63	95.91
Advances /Loans taken net off repaid back	Future Retail Limited	(2,935.11)	-
Advances repaid back	Weavette Business Ventures Limited	-	486.00
Promotor's Contribution	Future Corporate Resources Limited	-	1,839.97
Business Advance Given Recived back Net	Star Shopping Centers Private Limited	(68.77)	42.68
Purchase	Galaxy Entertainment Corporation Limited	1.41	-
Rent Income	Galaxy Entertainment Corporation Limited	6.13	-
	Future Retail Limited	550.88	-
	Praxis Home Retail Limited	35.34	-
Rent Expenses	Future Retail Limited	22.46	-
Income from Debtors Assignment	PAN India Food Solutions Private Limited	123.00	-
Reimbursement of Expenses	Future Retail Limited	16.78	-

30. In respect of operating lease taken by the company, the future minimum lease rental obligation under operating leases -

S. No.	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
i)	Lease rentals recognized in Statement of Profit and Loss	4,672.35	4,369.55
ii)	Lease rentals payable not later than one year	2,188.09	3,602.22
iii)	Lease rentals payable later than one year and not later than five years	8,054.61	8,848.11
iv)	Lease rentals payable later than five years	2,925.34	4,409.84

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

S. No.	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
i)	Gross block of assets let out on operating lease	29,339.99	29,794.30
ii)	Accumulated depreciation as at March 31	7,344.73	5,094.25
iii)	Depreciation charged during the year to the Statement of Profit and Loss	2,607.61	2,735.07
iv)	Lease rentals recognised in Statement of Profit and Loss	6,780.13	6,132.09
v)	Lease rentals receivable not later than one year	5,411.20	6,062.89
vi)	Lease rentals receivable later than one year and not later than five years	20,288.96	8,370.78
vii)	Lease rentals receivable later than five years	9.33	110.00

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

32. Payable to MSME

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise DevelopmentAct, 2006" is based on the information available with the group regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the group.There are no overdue principal amounts/ interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

33. Interests in other entities

(a) Subsidiaries

The Group's subsidiaries are set out below. Share capital consisting solely of equity shares that are held directly by the group and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Date of acquiring subsidiary	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests		Principal activities
			March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	
Aashirwad Malls Private Limited	20-Jan-12	India	100.00%	100.00%	NIL	NIL	Mall Management
Suhani Mall Management Company Private Limited	20-Jan-12	India	86.26%	86.26%	13.74%	13.74%	Mall Management
Sun City Properties Private Limited	20-Jan-12	India	55.17%	55.17%	44.83%	44.83%	Mall Management
Naman Mall Management Company Private Limited	20-Jun-16	India	Nil	100.00%	NIL	NIL	Mall Management
Future Trade Markets Private Limited	16-Aug-17	India	100.00%	70.00%	NIL	30.00%	Ware-housing & Real Estate
Future Retail Destination Limited	31-May-17	India	50.00%	50.00%	50.00%	50.00%	Ware-housing & Real Estate
Gati Realtors Private Limited	14-Aug-17	India	100.00%	Nil	NIL	NIL	Ware-housing & Real Estate

(b) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-group eliminations.

	Suhani Mall Management Company Private Limited		Sun City Properties Private Limited		Future Retail Destination Limited	
Summarised balance sheet	**March 31, 2018**	**March 31, 2017**	**March 31, 2018**	**March 31, 2017**	**March 31, 2018**	**March 31, 2017**
Current assets	2,157.72	2,172.75	60.07	57.30	1,033.70	-
Current liablities	4,679.14	4,463.42	39.36	37.37	152.48	-
Net current assets	**(2,521.42)**	**(2,290.67)**	**20.71**	**19.93**	**881.22**	-
Non-current assets	5,346.31	5,466.63	710.91	640.31	2,050.52	-
Non-current liabilities	406.68	808.79	545.06	473.73	-	-
Net non-current assets	**4,939.63**	**4,657.84**	**165.85**	**166.58**	**2,050.52**	-
Net assets	**2,418.21**	**2,367.17**	**186.56**	**186.51**	**2,931.74**	-
Accumulated NCI	**335.41**	**326.68**	**83.63**	**83.60**	**1,465.87**	-

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

	Suhani Mall Management Company Private Limited		Sun City Properties Private Limited		Future Retail Destination Limited	
Summarised statement of profit and loss	**March 31, 2018**	**March 31, 2017**	**March 31, 2018**	**March 31, 2017**	**March 31, 2018**	**March 31, 2017**
Revenue	441.45	415.04	2.91	3.18	-	-
Profit for the year	29.27	25.77	0.05	0.51	(1.90)	-
Other comprehensive income	21.76	(217.27)	-	-	-	
Total comprehensive income	**51.03**	**(191.50)**	**0.05**	**0.51**	**(1.90)**	-
Profit allocated to NCI	**7.01**	**(26.31)**	**0.03**	**0.23**	**(0.95)**	-
Dividends paid to NCI	**-**	**-**	**-**	**-**	-	-

	Suhani Mall Management Company Private Limited		Sun City Properties Private Limited		Future Retail Destination Limited	
Summarised cash flow	**March 31, 2018**	**March 31, 2017**	**March 31, 2018**	**March 31, 2017**	**March 31, 2018**	**March 31, 2017**
Cash flows from operating activities	420.57	332.04	(0.74)	(2.21)	(79.41)	-
Cash flows from investing activities	2.88	3.74	(70.60)	(71.30)	194.99	-
Cash flows from financing activities	(481.32)	(311.09)	71.33	58.95	-	-
Net increase/ (decrease) in cash and cash equivalents	**(57.87)**	**24.69**	**(0.01)**	**(14.56)**	**115.58**	-

(c) Interests in associates and joint ventures

Set out below are the associates and joint ventures of the Group. The entities listed below have share capital consisting solely of equity shares, which are held directly or indirectly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of Entity	Place of business/ country of incorporation	Relationship	Proportion of Interest (%)	Accounting method	Carrying Value		Share of (Profit) / Loss from Associates and Joint Ventures	
					March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Future Trade Markets Private Limited	India	Joint Venture	70.00%	Equity method	-	3,873.68	1,880.06	(39.06)
Star Shopping Centres Private Limited	India	Joint Venture	60.00%	Equity method	68.75	8.55	(60.14)	(8.55)
Utility Developers Private Limited	India	Joint Venture	50.00%	Equity method	240.80	113.69	(126.35)	1.06
Riddhi Siddhi Mall Management Private Limited	India	Joint Venture	50.00%	Equity method	1,521.87	1,466.97	(54.90)	(84.47)
Future Retail Destination Limited	India	Joint Venture	50.00%	Equity method	-	1,466.93	0.96	12.08
Total equity accounted investments					**1,831.42**	**6,929.82**	**1,639.62**	**(118.94)**

Summarised balance sheet	Year ended	Current assets	Current liablities	Net current assets	Non-current assets	Non-current liabilities	Net non-current assets	Net assets	% of share
Future Trade Markets Private Limited	March 31, 2018	-	-	-	-	-	-	-	-
	March 31, 2017	143.79	52.53	91.25	5,442.15	-	5,442.15	**5,533.40**	**3,873.38**

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

Star Shopping Centres Private Limited	March 31, 2018	668.36	591.76	76.60	106.54	68.52	38.02	**114.62**	**68.78**
	March 31, 2017	561.72	656.89	(95.17)	152.09	42.66	109.43	**14.26**	**8.55**
Utility Developers Private Limited	March 31, 2018	539.91	52.43	487.48	188.40	-	188.40	**675.88**	**337.95**
	March 31, 2017	102.93	26.04	76.88	344.78	-	344.78	**421.67**	**210.83**
Riddhi Siddhi Mall Management Private Limited	March 31, 2018	341.92	577.00	(235.08)	6,374.26	74.67	6,299.59	**6,064.51**	**3,032.26**
	March 31, 2017	244.71	708.60	(463.89)	6,510.22	91.61	6,418.61	**5,954.72**	**2,977.36**
Future Retail Destination Limited	March 31, 2018	-	-	-	-	-	-	-	-
	March 31, 2017	1,252.89	249.26	1,003.63	1,930.01	-	1,930.01	**2,933.64**	**1,466.82**

Summarised statement of profit and loss	Year ended	Revenue	Profit for the year	Other comprehensive income	Total comprehensive income
Future Trade Markets Private Limited	March 31, 2018	112.96	(2,656.42)	-	**(2,656.42)**
	March 31, 2017	220.90	55.79	-	**55.79**
Star Shopping Centres Private Limited	March 31, 2018	2,532.10	100.25	(0.09)	**100.15**
	March 31, 2017	2,431.68	33.11	0.35	**33.46**
Utility Developers Private Limited	March 31, 2018	561.23	252.71	1.51	**254.22**
	March 31, 2017	-	(2.12)	-	**(2.12)**
Riddhi Siddhi Mall Management Private Limited	March 31, 2018	440.48	109.80	-	**109.80**
	March 31, 2017	514.80	168.95	-	**168.95**
Future Retail Destination Limited	March 31, 2018	-	1.91	-	**1.91**
	March 31, 2017	-	(24.16)	-	**(24.16)**

34. Additional Information as required under Schedule III to the Companies Act 2013 of Enterprises consolidated as subsidiary -

Name of Enterprise	Net assets i.e Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	%	Amount	%	Amount	%	Amount	%	Amount
Parent								
Future Market Networks Limited	38.27%	6,867.15	78.34%	141.92	374.06%	(29.71)	64.78%	112.21
Subsidaries:								
Aashirwad Malls Private Limited	3.15%	565.92	-14.35%	(26.00)	0.00%	-	-15.01%	(26.00)
Suhani Mall Management Company Private Limited	14.77%	2,651.01	23.07%	41.79	-274.06%	21.76	36.70%	63.56
Sun City Properties Private Limited	8.53%	1,531.33	0.03%	0.05	0.00%	-	0.03%	0.05
Future Trade Markets Private Limited	12.93%	2,319.87	14.44%	26.16	0.00%	-	15.10%	26.16
Gati Realtors Private Limited	6.12%	1,098.05	-0.49%	(0.88)	0.00%	-	-0.51%	(0.88)
Future Retail Destination Limited	16.22%	2,910.72	-1.05%	(1.90)	0.00%	-	-1.10%	(1.90)
Total	100%	17,944.05	-100.00%	181.14	-100%	(7.94)	-100.00%	173.20

Notes to the consolidated financial statements for the year ended March 31, 2018

(All amounts in INR lakhs, unless otherwise stated)

Minority Interest in all subsidiaries		(1,884.90)		4.81		3.00		7.81
Joint Ventures		1,831.42		(1,639.62)	-	0.80	-	(1,638.81)
Total		**17,890.57**		**(1,463.29)**		**(10.14)**		**(1,473.42)**

35. Contingent Liabilities and Capital Commitments not provided for:

(a) Corporate Guarantee given to bank on behalf of Companies- ₹64,950 Lakhs (2017: ₹64,950 lakhs)

(Refer Note - 34 - Standalone Financial Statements)

(b) Service Tax disputed demand - ₹ 779.80 lakhs (2017: ₹ 779.80 lakhs)

The demand is related to the tax liabilities of the erstwhile owner of the commercial property situated at D-09, Dhanvantari Chikitsa Kendra Yojna, Nanakheda, Ujjain, Madhya Pradesh – 456010. The property was acquired from a financial institution and not from the alleged assesse/erstwhile owner.

Based on the interpretation of other relevant provisions, the Company has been legally advised that the demand is not maintainable and the Company already filed a writ petition before Hon'ble High Court MP challenging the demand and accordingly no provision has been made.

(c) In an Arbitration proceedings before the sole Arbitrator, appointed by the Hon'ble High Court of Calcutta, in respect of disputes arose out of termination of a license agreement related to a shopping mall, the Arbitrator has awarded a net amount of ₹ 12,90,52,379/- (Rupees Twelve Crore Ninety Lakhs Fifty Two Thousand Three Hundred Seventy Nine Only) to the Claimant after allowing certain counter claims of the Company.

The Company has filed an Arbitration Petition challenging the arbitration award U/s 34 of Arbitration and Conciliation Act, 1996 before the Hon'ble High Court, Calcutta.

Claimant through its Proprietor has also challenged the aforesaid arbitration award before the Hon'ble High Court, Calcutta.

The matters are pending before the High Court, Calcutta.

(d) The Company has sub lease rights with respect to a shopping mall in Mumbai and there were serious disputes amongst the parties under the said arrangement. During the year 2017-18, the parties have arrived at a settlement in a suit filed by the Company and tendered consent terms with Hon'ble High Court of Bombay in the suit filed by the Company. The consent terms deals with settlement of long standing dispute between the Company including settlement of past claims of sub lessor and in terms of the seetlemnt entire outstang till June 30, 2017 is settled for an amount of ₹ 35.10 Cr, which is payable over a period of 3 years (over and above the existing receivables standing in the books) and the arrangement provides for future lease period and reduced rentals for the sub lease period upto August 2027. The arrangement deals with entitlement of lease rental in respect of premises owned by various third parties and a minority of such third party owners have intervened in the matter raising objections with respect of approval of consent terms by the Hon'ble Court. The Court has taken the consent terms on record but not yet issued an order sanctioning the consent terms. In case, the consent terms are accepted as filed, the Company will have to honour its payment obligations for the said amount after payments made, if any, and the parties shall be administrated in terms of the said consent terms. However, if the consent terms are not approved as agreed by the parties, it shall be relegated to the original position of the suit filed by the Company . In view of this, the above has been disclosed as contingent liabilities pending approval of Hon'ble High Court in relation to the consent terms.

Capital Commitments - Estimated amount of contract remaining to be executed on capital work in progress and not provided for ₹ 36.00 Lakhs.

As per our Report of even date
For Viren Gandhi & Co.
Chartered Accountants

Chintan Gandhi
Partner

Place: Mumbai
Date: May 25,2018

For and on behalf of the Board of Directors

Sunil Biyani
Managing Director
DIN: 00006583

Vijai Singh Dugar
Chairman
DIN: 06463399

Pramod Arora
Whole Time Director
DIN: 02559344

Pawan Agarwal
Chief Financial Officer

Anil Cherian
Company Secretary

Notes

FUTURE MARKET NETWORKS
catalysing consumption

FUTURE MARKET NETWORKS LIMITED

Registered Office: Knowledge House, Shyam Nagar,
Off. Jogeshwari – Vikhroli Link Road, Jogeshwari (East), Mumbai - 400060
Tel No.: 022 - 6199 5237, Fax No.: 022 – 6199 5054, E-mail: info.fmnl@futuregroup.in
Website: www.fmn.co.in • CIN: L45400MH2008PLC179914

FORM NO. MGT – 11

PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 read with Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):

Registered address:

E-mail Id:

Folio No. / Client ID:

DP ID:

I/ We being the member(s) of ..... shares of the Future Market Networks Limited hereby appoint:

1. Name: .....
   Address: .....
   E-mail Id:..... Signature:.....or failing him;
2. Name: .....
   Address: .....
   E-mail Id:..... Signature:.....or failing him;
3. Name: .....
   Address: .....
   E-mail Id:..... Signature:.....or failing him;

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ behalf at the 10th Annual General Meeting of the Company to be held on Wednesday, 19th day of September 2018 at 12.00 noon at Sunville Banquets 9, Dr. Annie Besant Road, Worli, Mumbai – 400018 and at any adjournment thereof in respect of such resolutions, as are indicated below:

Resolutions	Optional*	
	For	Against
Ordinary Business		
1. Consider and adopt: a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2018 together with the reports of the Board of Directors and Auditors thereon; and b) the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2018 together with the report of Auditors thereon.		
2. Appointment of Director in place of Mr. Sunil Biyani (DIN: 00006583) who retires by rotation and being eligible offers himself for re-appointment.		
3. Appointment of Director in place of Mr. Rajesh Kalyani (DIN: 00220632) who retires by rotation and being eligible offers himself for re-appointment.		
Special Business		
4. Re-appointment of Mr. Somayajulu Ayyanna Kodukula (DIN: 02535927) as an Independent Director of the Company.		
5. Re-appointment of Ms. Udita Jhunjhunwala (DIN: 00120951) as an Independent Director of the Company.		
6. Approval of Related Party Transaction with Future Retail Limited and Praxis Home Retail Limited		

Signed this ……..... day of ……. 2018.

Signature of shareholder(s):_____

Signature of Proxy holder(s):_____

AFFIX Re.1/- REVENUE STAMP

Note(s)

The Proxy Form in order to be effective should be deposited at the Registered Office of the Company not less than 48 (forty eight) hours before the commencement of aforesaid Annual General Meeting.

For Resolutions, Explanatory Statements and Notes, please refer Notice of 10th Annual General Meeting of the Company.

* It is optional to put "X" in appropriate column against the Resolutions indicated in the box. If you leave the "For" or "Against" column blank against any or all Resolution (s), you proxy will be entitled to vote in the manner he / she thinks appropriate.

10th AGM - Route Map to the AGM Venue

FUTURE MARKET NETWORKS

catalysing consumption

CIN: L45400MH2008PLC179914

Registered Office:
Knowledge House, Shyam Nagar,
Off. Jogeshwari - Vikhroli Link Road,
Jogeshwari (E), Mumbai - 400060
Website : www.fmn.co.in

Printed by: www.westernpress.in