

*28th
Annual Report
2010-2011*



FUTURISTIC SOLUTIONS LIMITED

Board of Directors

Mr. Mandeep Sandhu
Mrs. Sangeeta Sandhu
Major Gen. Charanjit Singh Panag (Retd.)
Mr. Shalabh Ahuja

Company Secretary

Ms. Anu Aggarwal

Auditors

M/s BGJC & Associates
Chartered Accountants
202, 2nd Floor, Raj Tower-1,
Alaknanda Community Centre,
G.K-II, New Delhi-110019

Registered Office

M-50, Second Floor,
M-Block Market, Greater Kailash-1
New Delhi-110048

Bankers

Andhra Bank, Green Park, New Delhi

Registrar and Share Transfer Agent

Beetal Financial & Computer Services (P) Ltd.
Beetal House, 3rd Floor, 99 Madangir,
Behind Local Shopping Centre,
Near Dada Harkushdas Mandir,
New Delhi-110062

FUTURISTIC SOLUTIONS LIMITED

NOTICE

Notice is hereby given that the 28th Annual General Meeting of the members of **Futuristic Solutions Limited** will be held on Monday, the 8th Day of August, 2011, at 11:30 A.M. at M-50, IInd Floor, M-Block Market, Greater Kailash, Part-I, New Delhi - 110048 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011 and the Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Maj. Gen. Charanjit Singh Panag (Retd.), who retires by rotation and is eligible for re-appointment.
3. To consider the appointment of Statutory Auditors and if thought fit, to pass with or without modification(s) the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 224 of the Companies Act, 1956, M/s BGJC & Associates, Chartered Accountants, the retiring auditors be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company on such remuneration as shall be fixed by the Board of directors of the Company."

SPECIAL BUSINESS:

4. 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 provisions of sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, or any statutory modification or re-enactment thereof, the Company hereby approves the re-appointment of Mr. Mandeep Sandhu as Managing Director of the Company w. e. f. 1st July, 2011 for a period of five years upon terms and conditions as set out in the explanatory statement annexed hereto which shall be deemed to form part hereof, and in the event of inadequacy or absence of profits in any financial year, the remuneration comprising salary, perquisites and benefits as approved herein be paid as minimum remuneration to the said Managing Director subject to approvals, if any, as may be required.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to vary /or revise the remuneration of the said Managing Director within the overall limits approved herein and to settle any question or difficulty in connection therewith or incidental thereto.

RESOLVED FURTHER THAT Mrs. Sangeeta Sandhu, Director / Ms. Anu Aggarwal, Company Secretary of the Company be and is hereby authorized to complete all the necessary formalities including filing of requisite form and other documents with the Registrar of Companies, in regard to aforesaid appointment."

By order of the Board of Directors
For **Futuristic Solutions Limited**

Place : New Delhi
Dated : 20th June, 2011

Anu Aggarwal
(Company Secretary)

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NOTES:-

- 1) 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 TO BE THE MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.
- 2) The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to special Business to be transacted at the meeting (Item No. 4) is annexed hereto.
- 3) Members / Proxies should fill the attendance slip for attending the meeting.
- 4) Members who hold shares in dematerialized form are requested to bring their Client ID (Demat A/C No.) and DP ID numbers for easy identification of attendance at the meeting.
- 5) Members are requested to notify the changes in their Address, if any.
- 6) Shareholders are requested to bring their copy of Annual Report to the meeting.
- 7) All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during the office hours up to the date of Annual General Meeting between 11a.m. and 1p.m.
- 8) Pursuant to the requirements of the listing agreement with the stock exchange, on Corporate Governance, the information required to be given, in case of the appointment of a new director or re-appointment of a director, is given in Annexure to the Corporate Governance Report.

EXPLANATORY STATEMENT IN TERMS OF SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 4

The Board of Directors had approved the re-appointment of Mr. Mandeep Sandhu as Managing Director of the Company with effect from 01.07.2011, in terms of Section 198, 269, 309 and 310 read with Schedule XIII of the Companies Act 1956 on such term and conditions as may be determined by the remuneration committee of Directors constituted for the purpose. The said committee met on 17th May 2011 and approved the terms of remuneration of Mr. Mandeep Sandhu as set out hereunder subject to requisite approvals.

The material terms and conditions of the appointment are mentioned below for consideration of the members:

- | | |
|--|---|
| I. Basic Salary | : Rs. 1,00,000/- p.m. |
| II. Perquisites/Allowances | : Perquisites shall be allowed in addition to salary. |
| i. Leased accommodation or HRA in lieu thereof and Reimbursement of expenditure or allowance in respect medical expenses and Leave travel concession incurred for self and family, soft furnishing, maintenance of furniture & fixtures etc., Ex-gratia and Education allowance and any other perquisites or allowances etc. | : In accordance with the rules of the Company. |

In addition to above perquisites/allowances, Mr. Mandeep Sandhu shall also be entitled to following benefits. These benefits will not be included in the computation of ceiling of perquisites.

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- ii. Other entitlements : a) Contribution to Provident Fund & Superannuation Fund or Annuity Fund - Contribution to Provident Fund & Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961 and shall be subject to maximum amount as may be permitted under the company's rules.
- b) Earned leave - On full pay and allowances as per the rules of the Company but not exceeding one month's leave for every eleven months of service. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
- c) Gratuity - Gratuity payable shall not exceed half a month's salary for each completed year of services and shall be subject to maximum amount as may be permitted under the company's rules.
- d) Car and Telephone - Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Mr. Mandeep Sandhu.
- III. Commission : Such amounts as may be decided by the Board of Directors or any committee set up for this purpose, due and payable only after adoption of accounts.
- A. The aggregate of the Salary, Perquisites/Allowances and other Entitlements shall not exceed the limits specified in Section 198 and 309 of the Companies Act, 1956.
- B. In absence or inadequacy of Profits in any year, the remuneration by way of Salary, Perquisites/Allowances and other Entitlements will not exceed the limits prescribed under the Companies Act, 1956.

Mr. Mandeep Sandhu shall not be entitled to sitting fees for attending Board Meetings/ Committees thereof.

This shall also be treated as abstract of terms of his appointment u/s 302 of the Companies Act, 1956.

None of the Directors except Mr. Mandeep Sandhu and Mrs. Sangeeta Sandhu shall be deemed to be concerned or interested in the above resolution.

The Board recommends the above resolution for approval.

By order of the Board of Directors
For **Futuristic Solutions Limited**

Place : New Delhi
Dated : 20th June, 2011

Anu Aggarwal
(Company Secretary)

FUTURISTIC SOLUTIONS LIMITED

DIRECTORS' REPORT

Dear Members,

Your directors have pleasure in presenting this 28th Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March 2011.

Financial Highlights:

The financial highlights for the year ended 31st March 2011 under review are as follows:

	Year ended 31-03-2011	(Rs. In lacs) Year ended 31-03-2010
Total Income	403.41	946.33
Profit/ (Loss) before Interest, Depreciation and Tax	46.98	101.14
Interest	17.85	17.43
Profit/ (Loss) after interest but before Depreciation and Tax	29.13	83.71
Depreciation	4.37	4.88
Profit/ (Loss) before Tax	24.76	78.83
Provision for Taxation	7.11	56.22
Profit/ (Loss) after Tax	17.65	22.61
Transfer to Statutory Reserve Fund	3.53	4.52
Balance Carried to Balance Sheet	14.12	18.09

Performance:

During the year, your Company has not made a good progress due to slow down in the economy and has recorded Net profit after tax Rs. 17.65 Lacs. The Total income of the Company is Rs. 403.41 Lacs as compared to 946.33 Lacs during the previous year. The operating profits for the current financial year are Rs.29.13 Lacs, decrease of 65.20% over the previous year, which were Rs. 83.71 Lacs as on 31.03.2010.

Dividend:

In view of the expansion plan by your Company, your directors decided not to recommend any dividend on the equity shares of the Company for the Financial Year ended 31st March, 2011.

Public Deposits:

During the year, your Company has not invited any fixed deposit from the public in terms of provision of section 58A of the Companies Act, 1956, read with the Companies (acceptance of deposit) rules 1975.

Board of Directors:

In accordance with the provisions of the Companies Act, 1956, and the Articles of Association of the Company, Maj. Gen. Charanjit Singh Panag (Retd.) is liable to retire by rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting of the Company.

Mr. Mandeep Sandhu is the Managing Director of the Company and his current tenure as Managing Director will expire on 30th June, 2011. The Board of Directors re-appointed him as Managing Director of the Company for a further period of five (5) years with effect from 1st July, 2011 subject to approval of shareholders at the ensuing Annual General Meeting of the Company.

Directors' Responsibility Statement:

In terms of Section 217 (2AA) of the Companies Act, 1956, the Board of Directors confirms that:

- i. In preparation of the Annual Accounts for Financial Year ended 31st March 2011, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii. We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2011 and of the profit for the year ended on that date;

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- iii. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. We have prepared the Annual Accounts for the Financial Year ended 31st March 2011 on a 'going concern' basis.

Corporate Governance:

Your Company reaffirms its commitment to good Corporate Governance practices. Pursuant to Clause 49 of the Listing Agreement with the Delhi Stock Exchange Limited, Corporate Governance Report and Auditors Certificate regarding compliance of conditions of Corporate Governance are enclosed and form an integral part of this report.

Further, a certificate from the CEO and CFO of the company in pursuance of Clause 49 of the Listing Agreement with Stock Exchange was placed before the Board.

Management Discussion & Analysis Report

A report on Management Discussion and Analysis, as required under Clause 49 of the Listing Agreement, is enclosed and forms an integral part of this report.

Auditors and Auditors' Report

M/s BGCJ & Associates, Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Auditors have furnished a certificate to the effect that their re-appointment, if made, at the Annual General Meeting, will be within the limits prescribed under section 224(1B) of the Companies Act, 1956, and they are not disqualified for such reappointment within the meaning of Section 226(3) of the said Act.

The notes to accounts, referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments.

Particulars As Per Section 217 Of The Companies Act, 1956

(a) Particulars of Employees:

The Statement pursuant to Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended, are not given as the Company has not employed any employee in excess of the limit provided in the rules.

(b) Particulars of energy, technology, and foreign exchange:

Energy Conservation	- The operations of the Company are not energy intensive.
Technology Absorption	- Not applicable
Foreign Exchange Earnings	- NIL
Foreign Exchange outgoings	- Rs. 2, 36,050

Cash Flow Statement:

Cash flow statement for the financial year 2010-11 prepared in accordance with Accounting Standards (AS-3) issued by the Institute of Chartered Accountants, forms part of this Report

Acknowledgement

The Board wishes to place on record its appreciation to the contribution made by the employees of the Company during the year under review. Your Directors thank the customers, clients, vendors and other business associates for their continued support in the Company's growth. The Directors also wish to thank the Government Authorities, Financial Institutions and Shareholders for their cooperation and assistance extended to the Company.

For and on behalf of the Board
For **Futuristic Solutions Limited**

Place : New Delhi
Dated : 20th June, 2011

Mandeep Sandhu
(Managing Director)

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CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 (VII) OF THE LISTING AGREEMENT

To The Members of Futuristic Solutions Limited

We have examined the compliance of conditions of corporate governance by Futuristic Solutions Limited for the Financial year ended March 31, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

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

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

We state that no investor grievance is pending for a period exceeding one month against the as per records maintained by the Company, Shareholders'/investors' Grievance Committee.

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

**For Kumar Naresh and Associates
Company Secretaries**

**Naresh Kumar
C.P. No. 3615**

Place : New Delhi
Dated : 20/06/2011

FUTURISTIC SOLUTIONS LIMITED

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY

Corporate Governance assumes a great deal of importance in the business life of Futuristic Solutions Ltd. your Company is not only committed to achieve highest standards of corporate governance but also to go beyond it by instituting such systems and procedures as are in accordance with the latest global trend of making management completely transparent and institutionally sound. Philosophy of Corporate Governance in Futuristic Solutions Limited guides the Company to not only achieve business excellence but also work towards overall betterment of all its stakeholders and the society at large. Besides adherence to statutory requirements, effective governance systems, improved disclosures practices, effective internal control systems and promotion of ethical business conduct have been institutionalized.

The Company's compliance of Corporate Governance guidelines of the listing agreement is as follows:

BOARD OF DIRECTORS

(A) Composition and Attendance

Company has an optimum combination of Executive and Non - Executive Directors. The Board consists of 1 Executive Director and 3 Non - Executive directors out of which 2 Non - Executive Directors are Independent Directors.

The Composition of the Board of Directors, attendance of the directors at its meetings held during the year and at the last annual general meeting along with the details of the directorships and committee positions held by each Director as on 31st March, 2011 are under:

Name of Directors	Number of Board meetings held during the tenure and attendance there at		Attendance at last AGM held on 20.09.2010	Number of committee Memberships held (including chairmanship, if any)	Number of Committee Chairmanships held	Number of other directorships held
	Held	Attended		(Excluding Private , Foreign and Section 25 Companies)		
Executive Directors						
Mr. Mandeep Sandhu (Promoter Director)	8	8	Yes	Nil	Nil	6
Non- Executive Director						
Mrs. Sangeeta Sandhu (Promoter Director)	8	8	Yes	3	Nil	5
Non - Executive and Independent Director						
Maj. Gen. Charanjit Singh Panag (Retd.)	8	8	Yes	3	2	Nil
Mr. Shalabh Ahuja	8	8	Yes	3	1	Nil

Notes:

- In accordance with clause 49 of the Listing agreement, memberships / chairmanships of only Audit Committee and shareholders' investors' grievances Committee of all Public limited companies (including Futuristic Solutions Limited) have been considered.
- None of the Non-Executive Director owes 2 % or more of paid up capital.

(B) Board Meetings

During the year ended 31st March, 2011, the Board met 8 times and the gap between any two board meetings did not exceed four months. The meetings were held on 5th April,2010, 28th May,2010, 5th July, 2010, 6th July, 2010, 13th August, 2010, 10th November, 2010, 15th January, 2011 and 1st February, 2011.

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All relevant information suggested under clause 49 of the Listing Agreement is furnished to the Board from time to time.

BOARD COMMITTEES:

Presently, the Board has three committees viz. the Audit Committee, the Investors Grievance Committee and the Remuneration Committee details of which are as under:

AUDIT COMMITTEE:

(A) Terms of Reference:

The Audit Committee of the Company, inter-alia, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures. Apart from all the matters provided in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, the Committee reviews reports of the Internal Auditors, meets Statutory Auditors periodically and discusses their findings, suggestions, internal control systems, scope of audit, observations of the Auditors and reviews accounting policies followed by the Company. The Committee reviews with the management, half yearly and annual financial statements before its submission to the Board. The minutes of the Audit Committee meetings are placed and noted at the subsequent meeting of the Board of Directors of the Company.

(B) Composition, Meeting and attendance:

The Audit Committee, as on 31st March, 2011, comprises of 3 Non- Executive Directors, out of which 2 are Non - Executive Independent Directors in conformity with the requirements of section 292A of the companies Act, 1956 and Clause 49 of the Listing agreement.

The Composition of the Audit committee and attendance of members at the Audit committee meetings held on 28th May, 2010, 13th August, 2010, 10th November, 2010 and 15th January 2011 are as follows:

Sl. No.	Name of Director	Category	No. of Meetings	
			Held	Attended
1.	Mr. Shalabh Ahuja	Chairman	4	4
2.	Maj. Gen. Charanjit Singh Panag (Retd.)	Member	4	4
3.	Mrs. Sangeeta Sandhu	Member	4	4

Notes:

1. The requisite quorum was present at every meeting of the Audit Committee of the Board.
2. Ms. Anu Aggarwal has been appointed as a compliance officer and Secretary to the Company w.e.f. 2nd May, 2011.
3. Ms. Ritu Aggarwal, Company Secretary was the secretary to the Audit Committee during the financial year 2009-10 till 15th January, 2011.

INVESTORS' GRIEVANCE COMMITTEE

(A) Terms of reference

This Committee was constituted specifically to review compliance of rules and regulations, to redress Investors' grievance and to provide suggestions. To expedite the process of share transfer, transmission etc. the Board has appointed M/s Beetal Financial & Computer Services (P) Ltd. viz. Registrar and Share Transfer Agent to attend to all the necessary formalities of share transfer, transmission etc.

Terms of reference of the Investor Grievance Committee are as per the guidelines set out in the listing agreement with the Stock Exchange which inter-alia include looking into the investor's complaints on transfer of shares, non-receipt of declared dividends etc. and redressal thereof.

(B) Composition, Meetings and Attendance

The Investors' Grievance Committee, as on 31st March, 2011, comprises of 3 Non-Executive Directors out of which 2 are Non - Executive independent directors.