

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Fifth Annual Report on the affairs of the Company together with the audited statement of accounts for the year ended 31<sup>st</sup> March, 2010.

### FINANCIAL HIGHLIGHTS

Particulars	(Amount in Rs.)	
	Year Ended 31 <sup>st</sup> March, 2010	Year Ended 31 <sup>st</sup> March, 2009
Income from operations	98,584,658	156,437,500
Other Income	40,803,887	5,473,803
<b>Total Income</b>	<b>139,388,545</b>	<b>161,911,303</b>
Personnel Expenses	56,464,513	90,399,829
Administration and other expenses	27,308,242	37,043,250
Depreciation / Amortization	2,365,413	21,77,322
Financial Expenses	4,608	163,626
<b>Total Expenditure</b>	<b>86,142,776</b>	<b>129,784,027</b>
<b>Profit/(Loss) before tax</b>	<b>53,245,769</b>	<b>32,127,276</b>
Provision for taxation		
Current tax	14,487,000	10,500,000
Deferred tax	(108,317)	143,918
Fringe benefit tax	-	580,557
<b>Profit/(Loss) after tax</b>	<b>38,867,086</b>	<b>20,902,801</b>
Profit brought forward from Previous year / period	53,599,943	32,697,142
<b>Balance carried forward to Balance Sheet</b>	<b>92,467,029</b>	<b>53,599,943</b>

During the period under review, income from operations stood at Rs. 98,584,658/-. The total income of the Company was Rs. 139,388,545/- and the profit after tax was Rs. 38,867,086/-

### BUSINESS REVIEW

During the year under review, the Company realigned its Investment Advisory Business to Everstone Investment Advisors Private Limited. Post realignment as aforesaid, the Company has been evaluating options to commence the business operations of the Company in similar line of business and / or other lines of business within the ambit of the objects of the Company.



## **DIVIDEND**

Your Directors consider it prudent to conserve the resources and therefore do not recommend any dividend on equity shares for the financial year under review.

## **RE-ALIGNMENT OF INVESTMENT ADVISORY BUSINESS OF THE COMPANY**

During the year under review, the Company and its holding company viz. Future Capital Holdings Limited (FCH) entered into appropriate agreements with Everstone Investment Advisors Private Limited, to realign its investment advisory activities with a view of having a focused and dedicated approach to the Investment Advisory Business. The realignment of the investment advisory activities of the Company has been effective from January 1, 2010.

The Company has not entered into any non-compete or similar agreements with Everstone Investment Advisors Private Limited or Indivision Capital Management, LLC and therefore would be free to pursue further/other clients or activities in relation to provide investment advisory services.

## **DIRECTORS**

In terms of Article 146 of the Articles of Association of the Company, Mr. N. Shridhar, director liable to retire by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting. Approval of Members is being sought at the ensuing Annual General Meeting.

The Board of Directors appointed Mr. Prashant Shetty and Mr. Chetan Gandhi as the Additional Directors with effect from 3rd May, 2010. In terms of Section 260 of the Companies Act, 1956 and Article 130 of the Articles of Association of the Company, Mr. Prashant Shetty and Mr. Chetan Gandhi hold office as the Additional Directors up to the date of ensuing Annual General Meeting of the Company and are eligible for appointment as the Directors. The Company has received requisite notice(s) together with deposit(s), as provided under Section 257 of the Companies Act, 1956, from a Member proposing the appointment of Mr. Prashant Shetty and Mr. Chetan Gandhi. Approval of Members is being sought at the ensuing Annual General Meeting.

The Board of Directors had also appointed Mr. P. M. Devaiah as an Additional Director with effect from 24<sup>th</sup> December, 2009. Due to his resignation Mr. Devaiah ceased to be the Director of the Company with effect from 3<sup>rd</sup> May, 2010.

During the year under review, Mr. Sameer Sain and Mr. G.N. Bajpai, resigned from the Board of Directors of the Company with effect from 15<sup>th</sup> February, 2010 and 25<sup>th</sup> May, 2010, respectively.

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



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

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

M/s. S. R. Batliboi & Co., the Auditors of the Company, who hold office until the conclusion of the ensuing Annual General Meeting being eligible for the re-appointment, have given the Company a notice in writing of their unwillingness to be re-appointed as the Auditors of the Company for the financial year 2010-11 at the ensuing Annual General Meeting.

The Company has received a notice in writing from a Member signifying its intention to propose the appointment of M/s. S. V. Ghatalia & Associates, Chartered Accountants, Mumbai, as the Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting. M/s. S. V. Ghatalia & Associates, Chartered Accountants, have expressed their willingness to act as the Auditors of the Company, if appointed and have further confirmed that the said appointment would be in conformity with the provisions of Section 224(1B) of the Companies Act, 1956.

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

#### **PUBLIC DEPOSITS**

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

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

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

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

The details of the earnings and outgo of Foreign Exchange during the period under review are provided as Note No .9 of Part C of the Schedule 14 (Notes to Accounts) of the Balance Sheet as on 31<sup>st</sup> March, 2010. The Members are requested to refer to the said Note for the details in this regard.



## **PARTICULARS OF EMPLOYEES**

The Particulars of employees required under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, are annexed to and form part of this report. (Annexure-A)

## **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- i) that in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the annual accounts for the financial year ending 31<sup>st</sup> March, 2010, on a going concern basis.

## **COMPLIANCE CERTIFICATE UNDER SECTION 383A OF THE COMPANIES ACT, 1956**

The Compliance Certificate under Section 383A of the Companies act, 1956 issued by Ms. Chitra Iyer, Company Secretary in Practice, for the year ended 31<sup>st</sup> March 2010, is enclosed and forms part of this report. (Annexure - B)

## **ACKNOWLEDGEMENT**

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



We wish to thank our banker, customers and all other business associates for their support and trust reposed in us.

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

Date : 25<sup>th</sup> May, 2010  
Place : Mumbai



On behalf of the Board of Directors

  
N. Shridhar  
Director

  
Chetan Gandhi  
Director

**Auditors' Report**

To,  
The Members of Future Capital Investment Advisors Limited

1. We have audited the attached Balance Sheet of Future Capital Investment Advisors Limited (the 'Company') (formerly known as Indivision Investment Advisors Limited) as at March 31, 2010 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
  - iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - v. On the basis of the written representations received from the directors, as on March 31, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2010;
    - b) in the case of the profit and loss account, of the profit for the year ended on that date; and
    - c) in the case of cash flow statement, of the cash flows for the year ended on that date.

  
For S.R. Batliboi & Co.  
Firm registration number: 301003E  
Chartered Accountants  


per Hemal Shah  
Partner  
Membership No.: 42650  
Mumbai  
Date: 24 MAY 2010



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

Re: Future Capital Investment Advisors Limited (the 'Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The Company does not have any inventory. Therefore, the provisions of Clause 4(ii) (a), (b) and (c) of the Companies (Auditor's Report) Order 2003 (as amended) are not applicable to the Company.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4 (iii) (a) (b) (c) and (d) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (b) As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4 (iii) (e), (f) and (g) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. The activities of the Company do not involve purchase of inventory and the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas and accordingly the question on commenting on whether there is a continuing failure to correct major weakness in the internal control system of the Company does not arise.
- (v) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.



- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.
- (ix)(a) Undisputed statutory dues including provident fund, investor education and protection fund, or employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and other material statutory dues have generally been regularly deposited with the appropriate authorities.

Further, rules related to the amount of cess under Section 441A of the Act has not been notified by the Central Government of India up to the reporting date and accordingly, as at the reporting date there is no statutory due payable under section 441A of the Act.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) The Company has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty per cent or more of its net worth and whether it has incurred cash losses in such financial year and in the immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (vi) The Company did not have any term loans outstanding during the year.





# **S.R. BATLIBOI & CO.**

Chartered Accountants

- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) As informed to us, the Company has not raised any money by way of public issues during the year. Therefore, the provision of clause (xx) of the Companies (Auditors' Report) Order, 2003 (as amended) is not applicable to the Company.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

*S.R. Batliboi & Co.*

For S.R. Batliboi & Co.

Firm registration number: 301003E

Chartered accountants

*Hemal Shah*

per Hemal Shah

Partner

Membership No.: 42650

Mumbai

Date: May 24, 2010.



**Future Capital Investment Advisors Limited**  
(formerly known as Indivision Investment Advisors Limited)

**Balance Sheet as at March 31, 2010**

	Schedules	As at March 31, 2010	Amount in Rupees As at March 31, 2009
<b><u>SOURCES OF FUNDS</u></b>			
<b>Shareholders' Funds</b>			
Share capital	1	22,500,000	22,500,000
Reserves and surplus	2	<u>92,467,029</u>	<u>53,599,943</u>
		114,967,029	76,099,943
<b>Deferred tax liabilities (net)</b> [Refer note C3 of Schedule 14]		615,309	723,626
<b>Total</b>		<u><u>115,582,338</u></u>	<u><u>76,823,569</u></u>
<b><u>APPLICATION OF FUNDS</u></b>			
<b>Fixed Assets</b>			
Gross block	3	23,175,589	21,669,498
Less: Accumulated depreciation/ amortisation		<u>7,325,383</u>	<u>5,110,362</u>
Net block		15,850,206	16,559,136
<b>Investments</b>	4	58,987,755	35,660,803
<b>Current assets, loans and advances</b>			
Sundry debtors	5	38,000,000	28,130,332
Cash and bank balances	6	788,675	11,101,481
Loans and advances	7	<u>19,310,423</u>	<u>29,469,832</u>
	(A)	<u>68,099,098</u>	<u>68,691,646</u>
<b>Less: Current liabilities and provisions</b>	8		
Current liabilities		9,067,453	42,060,353
Provisions		<u>8,267,268</u>	<u>2,017,662</u>
	(B)	<u>17,334,721</u>	<u>44,078,015</u>
<b>Net current assets</b>	(A-B)	40,744,377	24,613,630
<b>Total</b>		<u><u>115,582,338</u></u>	<u><u>76,823,569</u></u>

Notes to Accounts 14

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

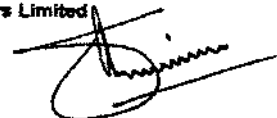
As per our Report of even date

For S.R. Batliboi & Co.  
Firm Registration No.301003E  
Chartered Accountants

per Hemal Shah  
Partner  
Membership No. 42650

For and on behalf of the Board of Directors of  
Future Capital Investment Advisors Limited

  
G.W. Bajpai  
Director

  
N. Shridhar  
Director

Place: Mumbai

Date: 24 MAY 2010

Place: Mumbai

Date: 24 MAY 2010



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**Future Capital Investment Advisors Limited**  
(formerly known as Indivision Investment Advisors Limited)

**Profit and Loss Account for the year ended March 31, 2010**

Amount in Rupees

	Schedules	For the year ended March 31, 2010	For the year ended March 31, 2009
<b>INCOME</b>			
Income from operations	9	98,584,658	156,437,500
Other income	10	40,803,887	5,473,803
<b>Total</b>		<b>139,388,545</b>	<b>161,911,303</b>
<b>EXPENDITURE</b>			
Personnel expenses	11	56,464,513	90,399,829
Administration and other expenses	12	27,308,242	37,043,250
Depreciation/ amortisation	3	2,365,413	2,177,322
Financial expenses	13	4,608	163,628
<b>Total</b>		<b>86,142,776</b>	<b>129,784,027</b>
<b>Profit before tax</b>		<b>53,245,769</b>	<b>32,127,276</b>
<b>Provision for tax:</b>			
Current tax		14,487,000	10,500,000
Deferred tax		(108,317)	143,918
Fringe benefit tax		-	580,557
		<b>14,378,683</b>	<b>11,224,475</b>
<b>Profit after tax</b>		<b>38,867,086</b>	<b>20,902,801</b>
Balance brought forward from previous year		53,599,943	32,697,142
<b>Balance carried to Balance Sheet</b>		<b>92,467,029</b>	<b>53,599,943</b>
Earnings per share: (Refer note C7 of Schedule 14)			
Basic and Diluted		17.27	9.29

Notes to Accounts

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

As per our Report of even date

*S.R. Batliboi & Co*  
For S.R. Batliboi & Co  
Firm Registration No. 301003E  
Chartered Accountants

*Hemal Shah*

per Hemal Shah  
Partner  
Membership No. 42650

Place: Mumbai

Date: 24 MAY 2010

For and on behalf of the Board of Directors of  
Future Capital Investment Advisors Limited

*G.N. Bajpai*

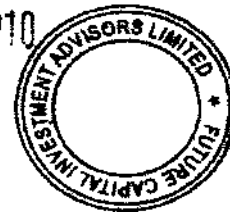
G.N. Bajpai  
Director

*N. Shridhar*

N. Shridhar  
Director

Place: Mumbai

Date: 24 MAY 2010



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**FUTURE CAPITAL INVESTMENT ADVISORS LIMITED**  
(formerly known as Indivision Investment Advisors Limited)

Cash Flow Statement for the year ended March 31, 2010

	Year ended March 31, 2010	Amount in Rupees Year ended March 31, 2009
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Tax	53,245,769	32,127,276
<b>Adjustments</b>		
Foreign exchange loss (net)	1,467,252	-
Provision for doubtful advances	1,825,000	-
Interest on Fixed Deposits	(344,479)	(406,240)
Financial Expenses	-	138,357
Loss on sale of fixed assets	233,431	-
Depreciation	2,365,413	2,177,322
Provision for Leave Encashment & Gratuity	-	1,505,834
<b>Operating Profit before working capital changes</b>	<u>56,792,386</u>	<u>35,542,550</u>
<b>Adjusted For:</b>		
(Increase)/ Decrease in Sundry Debtors	(13,161,920)	7,038,773
(Increase)/ Decrease in Loans and Advances	10,675,717	4,744,011
Increase/ (Decrease) in Current Liabilities and provisions	(35,010,562)	8,741,281
<b>Net cash generated from operations</b>	<u>21,295,621</u>	<u>56,066,615</u>
Taxes paid	(6,726,040)	(10,111,401)
<b>Net Cash generated from Operating Activities (A)</b>	<u>14,569,581</u>	<u>45,955,214</u>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(1,980,879)	(718,266)
Sale of fixed assets	90,965	-
Interest received on Fixed Deposits	344,479	406,240
<b>Net Cash generated from Investing Activities (B)</b>	<u>(1,545,435)</u>	<u>(312,027)</u>
<b>C. Cash flow from Financing Activities</b>		
Loans taken	-	27,100,000
Loans Repaid	-	(27,100,000)
Interest Paid on Loans	-	(138,357)
<b>Net Cash generated from Financing Activities (C)</b>	<u>-</u>	<u>(138,357)</u>
<b>Net increase in cash and cash equivalent during the year (A+B+C)</b>	<u>13,024,146</u>	<u>45,504,830</u>
Cash and cash equivalents as at the beginning of the year	46,752,284	1,247,454
<b>Cash and cash equivalents as at the end of the year</b>	<u>59,776,430</u>	<u>46,752,284</u>
<b>Cash and cash equivalents comprises:</b>	As at March 31, 2010	As at March 31, 2009
Cash in hand	11,723	38,152
Balances with banks in current accounts	776,952	826,001
Balance in fixed deposits	-	10,237,328
Short term investments in liquid mutual funds	58,987,755	35,650,803
	<u>59,776,430</u>	<u>46,752,284</u>

As per our report of even date

For S.R. Batliboi & Co  
Firm Registration No. 301003E  
Chartered Accountants

*Hemal Shah*

per Hemal Shah  
Partner  
Membership No. 42650

Place: Mumbai  
Date: 24 MAY 2010



For and on behalf of the Board of Directors of  
Future Capital Investment Advisors Limited

*G.N. Bajpai*  
G.N. Bajpai  
Director

*N. Shridhar*  
N. Shridhar  
Director

Place: Mumbai  
Date: 24 MAY 2010



**Future Capital Investment Advisors Limited**  
**Schedules forming part of the Balance Sheet**

	As at March 31, 2010	As at March 31, 2009
<b>Schedule 1 : Share Capital</b>		
Authorised		
2,500,000 (Previous year: 2,500,000) Equity shares of Rs. 10/- each	25,000,000	25,000,000
<b>Total</b>	<u>25,000,000</u>	<u>25,000,000</u>
<b>Issued, Subscribed &amp; Paid-up</b>		
2,250,000 (Previous year: 2,250,000) Equity Shares of Rs.10/- each fully paid up	22,500,000	22,500,000
(Out of the above 2,250,000 (Previous year: 2,250,000) Shares are held by Holding Company - Future Capital Holdings Limited and its nominees		
<b>Total</b>	<u>22,500,000</u>	<u>22,500,000</u>
<b>Schedule 2 : Reserves and surplus</b>		
<b>Profit and Loss Account</b>		
Balance carried from profit and loss account	92,467,029	53,599,943
<b>Total</b>	<u>92,467,029</u>	<u>53,599,943</u>



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FUTURE CAPITAL INVESTMENT ADVISORS LIMITED  
(formerly known as Indivision Investment Advisors Limited)

Schedules forming part of Balance Sheet

SCHEDULE 3 : Fixed Assets

Description	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 01-Apr-09	Additions during the year	Deductions during the year	As at 31-Mar-10	As at 01-Apr-09	For the year	Depreciation / Adjustment	As at 31-Mar-10	As at 31-Mar-10	As at 31-Mar-09
<b>Intangible Assets</b>										
Computer Software	175,953	-	-	175,953	152,012	23,915	-	175,927	26	23,941
<b>Tangible Assets</b>										
Computers and Printers	5,484,873	90,580	-	5,575,453	2,021,874	898,477	-	2,920,151	2,655,302	3,463,199
Office Equipment	4,436,283	183,598	21,500	4,598,381	522,246	228,985	1,738	749,473	3,848,908	3,914,037
Motor Car	453,287	-	453,287	-	130,603	18,051	148,653	-	-	322,665
Furniture and Fixtures	5,767,320	8,275	-	5,775,595	789,773	364,874	-	1,134,647	4,640,948	4,997,547
Electrical Installations	1,842,168	-	-	1,842,168	186,383	87,503	-	273,886	1,568,302	1,655,805
Leasehold Improvements	2,789,275	1,698,428	-	4,487,701	1,254,865	709,412	-	1,964,077	2,523,824	1,534,610
Air Conditioners	720,338	-	-	720,338	73,028	84,216	-	107,242	613,096	847,312
<b>Total</b>	<b>21,669,487</b>	<b>1,980,879</b>	<b>474,787</b>	<b>23,175,589</b>	<b>5,110,362</b>	<b>2,365,413</b>	<b>160,391</b>	<b>7,828,283</b>	<b>16,350,206</b>	<b>16,659,136</b>
<b>Previous Year</b>	<b>20,890,868</b>	<b>858,036</b>	<b>79,406</b>	<b>21,669,488</b>	<b>2,947,676.03</b>	<b>2,177,322</b>	<b>14,036</b>	<b>6,110,382</b>	<b>16,559,106</b>	<b>-</b>

Notes:

1. Includes Rs.15,357,178 ( Previous year : 15,265,425 ) the cost of company's share in the Assets, which are co-owned with other entities
2. Includes Rs.4,974,444 ( Previous year : Rs. 3,355,281 ) towards the depreciation on co-owned assets with other entities
3. The net block of assets co-owned with other entities is Rs.10,382,734 ( Previous year : Rs. 11,930,144 )
4. The above are in possession and use by Everstone Investor Advisors Private Limited



03

Future Capital Investment Advisors Limited  
Schedules forming part of the Balance Sheet

As at  
March 31, 2010

As at  
March 31, 2009

Schedule 4 : Investments

Current Investments (At lower of cost or net asset value)

Investment in Mutual Funds units of Rs. 100 each, fully paid-up (Unquoted)  
(Non Trade)

ICICI Prudential Liquid Super Institutional Plan - Daily Dividend	Quantity* 406,987 (2,755,348)	40,707,688	27,554,837
---	-------------------------------------	------------	------------

Investment in Mutual Funds units of Rs. 10 each, fully paid-up (Unquoted)  
(Non Trade)

Reliance Liquid Fund - Treasury Plan-Institutional Option- Daily Dividend Option	1,195,768 (529,551)	18,280,067	8,095,966
---	------------------------	------------	-----------

\*figure in bracket relates to previous year)

Total		<u>58,987,755</u>	<u>35,650,803</u>
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Net Asset Value of units in mutual funds		<u>58,987,755</u>	<u>35,650,803</u>
--	--	-------------------	-------------------

Schedule 5 : Sundry Debtors

(Unsecured, considered good)

Debts outstanding for a period exceeding six months

Other debts		38,000,000	28,130,332
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Total		<u>38,000,000</u>	<u>28,130,332</u>
-------	--	-------------------	-------------------

Schedule 6 : Cash and Bank Balances

Cash on hand		11,723	38,152
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Balance with scheduled banks:

- on current account		776,952	826,001
- in fixed deposit		-	10,237,328

Total		<u>788,675</u>	<u>11,101,481</u>
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Schedule 7 : Loans and Advances

Unsecured, considered good

Advance taxes (net of provision for tax)		-	(376,308)
--	--	---	-----------

Fringe benefit tax (net of provision for fringe benefit tax)	323,117.00		173,117
--	------------	--	---------

Security deposits	12,500,000		13,052,080
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Advances recoverable in cash or in kind or for value to be received

- Considered good	6,487,306		15,510,943
-------------------	-----------	--	------------

- Considered doubtful	1,825,000		1,100,000
-----------------------	-----------	--	-----------

Less: Provision for doubtful advances	(1,825,000)		-
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Total		<u>19,310,423</u>	<u>29,459,832</u>
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Schedule 8 : Current Liabilities and Provisions

(A) Current Liabilities

Sundry creditors

(Refer note C8 of Schedule 14)

- Due to micro and small enterprises		-	-
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- Due other than micro and small enterprises	8,784,195		39,744,250
--	-----------	--	------------

Other liabilities	283,258		2,316,103
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Total	<u>9,067,453</u>		<u>42,060,353</u>
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(B) Provisions

Provision for Income tax (net of advance Income tax)

For Gratuity	8,287,268		-
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For Leave Encashment	-		1,381,255
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Total	<u>8,287,268</u>		<u>2,017,662</u>
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**Future Capital Investment Advisors Limited**  
**Schedules forming part of the Profit and Loss Account**

**For the year ended**  
**March 31, 2010**

**For the year ended**  
**March 31, 2009**

**Schedule 9 : Income from operations**

Investment Advisory fees	98,584,858	156,437,500
<b>Total</b>	<b>98,584,858</b>	<b>156,437,500</b>

**Schedule 10 : Other Income**

Foreign exchange gain (net)	-	3,510,548
Dividend income	1,632,637	1,516,520
Profit on sale of mutual fund units	4,316	-
Interest on fixed deposits (TDS Rs.70,963; (Previous year: Rs.83,685)	344,479	406,240
Other income	822,455	40,495
Sale of rights under realignment agreement (Refer note C13 of Schedule 14)	38,000,000	-
<b>Total</b>	<b>40,803,887</b>	<b>5,473,803</b>

**Schedule 11 : Personnel expenses**

Salaries, wages and allowances	54,442,296	86,737,929
Contribution to provident and other funds	1,785,956	3,416,301
Staff welfare	236,261	245,599
<b>Total</b>	<b>56,464,513</b>	<b>90,399,829</b>

**Schedule 12 : Administrative and other expenses**

Rent paid	12,950,555	23,492,409
Rates and taxes	64,615	67,388
Insurance Charges	411,920	406,886
Repairs and maintenance - Others	1,016,934	401,620
Business promotion expenses	293,184	270,481
Traveling expenses	2,863,114	3,018,223
Communication expenses	1,402,802	1,547,644
Printing and stationery	182,786	103,240
Courier Charges	706,531	-
Legal and professional	-	2,774,781
Membership and subscription	2,025,437	2,817,097
<b>Auditor's Remuneration</b>		
Audit fees	193,025	196,630
Out of pocket expenses	18,619	6,998
Security charges	-	-
Electricity charges	767,387	1,018,476
Conference expenses	30,850	18,500
Directors sitting fees	40,000	20,000
Loss on sale of fixed assets	233,431	-
Foreign exchange losses (net)	1,467,252	-
Provision for doubtful advances	1,825,000	-
Miscellaneous expenses	824,800	882,877
<b>Total</b>	<b>27,388,242</b>	<b>37,043,250</b>

**Schedule 13 : Finance Charges**

Bank charges	4,608	9,697
Interest on loans	-	153,929
<b>Total</b>	<b>4,608</b>	<b>163,626</b>



14



**Future Capital Investment Advisors Limited (formerly known as Indivision Investment Advisors Limited) Schedule 14: Notes to Accounts**

**A. NATURE OF OPERATION**

Future Capital Investment Advisors Limited (formerly known as Indivision Investment Advisors Limited) ('the Company') was incorporated on November 21, 2005 under the provisions of the Companies Act, 1956 ('the Act'). The Company is engaged in providing investment advisory services.

**B. SIGNIFICANT ACCOUNTING POLICIES**

**1. Method of Accounting**

The financial statements have been prepared to comply in all material respects with the Notified Accounting Standard by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956 ('the Act'). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

**2. Use of estimates**

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

**3. Fixed Assets & Depreciation**

Fixed Assets are stated at cost less accumulated depreciation. Upon disposition, the net book value of assets is relieved and resultant gains and losses are reflected in the profit and loss statement. Depreciation is provided on straight line method at the rates and in the manner prescribed under Schedule XIV to the Act.

Intangible assets costing Rs. 25000/- or more are amortised on straight line basis over a period of three years, based on management's estimate of the useful life of these intangible assets.

Fixed assets costing Rs 5,000 or less and intangible assets costing Rs. 25,000 or less individually are fully depreciated / amortized in the year of purchase.

**Impairment**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

**4. Foreign Currency Transaction**

**(i) Initial Recognition**

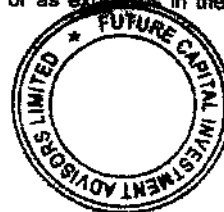
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**(ii) Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**(iii) Exchange Differences**

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.



**Future Capital Investment Advisors Limited (formerly known as Indivision Investment Advisors Limited) Schedule 14: Notes to Accounts**

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**5. Provisions**

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

**6. Revenue Recognition**

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

*Advisory Services*

Revenue from advisory services are recognised on pro-rata basis over the period of contract as and when services are rendered or in accordance with the arrangements entered into with the parties receiving such advisory services.

*Interest income*

Interest income on fixed deposits is recognised on a time proportion accrual basis.

*Dividend income*

Dividend income is recognised when the shareholders' right to receive payment is established by the balance sheet date.

*Profit/ Loss on sale of investments*

Profit or loss on sale of investments is determined on the basis of the weighted average cost method.

*Sale of rights under realignment agreement*

Income from sale of rights under realignment agreement is accounted when the assignment are complete.

**7. Retirement Benefits**

- (i) The Company's employee benefits primarily cover provident fund, gratuity and leave encashment.
- (ii) Provident fund is a defined contribution scheme and the Company has no further obligation beyond the contributions made to the fund. Contributions are charges to the profit and loss account in which they accrue.
- (iii) Gratuity liability is a defined benefit obligation and is recorded based on actuarial valuation made at the end of the year. The gratuity liability and the net periodic gratuity cost is actuarially determined after considering discount rates, expected long term return on plan assets and increase in compensation levels. All actuarial gain / loss are immediately recorded to the profit and loss account and are not deferred.
- (iv) The Company has provided for leave encashment liability at year end on account of unavailed earned leave as per the actuarial valuation as per the Projected Unit Credit method.

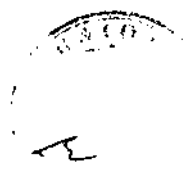
**8. Leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease payments are recognized as an expense in the profit and loss account on a straight line basis over the lease period.

**9. Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

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**Future Capital Investment Advisors Limited (formerly known as Indivision Investment Advisors Limited) Schedule 14: Notes to Accounts**

**10. Taxation**

Income tax comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of the assets and liabilities and their respective tax bases. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are measured using enacted tax rates applicable on the Balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the income statement in the period of enactment of the change. If the Company has unabsorbed depreciation or brought forwards losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

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

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

**11. Earnings Per Share**

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

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

**C NOTES ON ACCOUNTS**

**1. Contingent Liabilities**

Contingent Liabilities Rs. Nil (Previous Year Rs.Nil)

**2. Capital Commitment**

	As at March 31, 2010 Rs.	As at March 31, 2009 Rs.
Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil



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**Future Capital Investment Advisors Limited (formerly known as Indivision Investment Advisors Limited) Schedule 14: Notes to Accounts**

**3. Deferred tax (Assets)/Liabilities (net)**

The Components of deferred tax assets and liabilities are as under: -

	As at March 31, 2010 Rs.	As at March 31, 2009 Rs.
<b>Deferred Tax Liabilities</b>		
On depreciation	1,245,116	1,418,918
<b>Sub-total</b>	<b>1,245,116</b>	<b>1,418,918</b>
<b>Deferred Tax Assets</b>		
On Preliminary Expenses	9,489	9,489
On Gratuity Provision	-	4,69,489
On Leave Encashment	-	2,16,314
On Doubtful Advances	620,318	-
<b>Sub-total</b>	<b>629,807</b>	<b>695,292</b>
<b>Deferred tax( Assets)/Liabilities (net)</b>	<b>615,309</b>	<b>7,23,626</b>

**4. Operating leases**

The Company has taken office premises and residential premises, which were given to employees.

Particulars	For the year ended March 31, 2010 Rs.	For the year ended March 31, 2009 Rs.
Lease payments for the year	12,950,555	22,867,407
Future minimum lease payments:	Nil	Nil
Not later than one year	Nil	8,590,680
Later than one year but not later than five years	Nil	1,566,810
Later than five years	Nil	Nil

The Company has not given or taken any sub-leases during the period.

**5. Included in Loans and Advances are:**

Particulars	As at March 31, 2010 Rs.	As at March 31, 2009 Rs.
i. Dues from companies under the same management: Kshitij Investment Advisory Company Limited (Maximum amount outstanding during the year Rs.28,687/-(Previous year : Rs. 2,07,483/-))	NIL	28,667

**6. Related Party Disclosures:**

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

Parties where control exists:	Name of the Party
Ultimate Holding Company	Pantaloon Retail (India) Limited
Holding Company	Future Capital Holdings Limited
Other related parties with whom the Company has entered into transactions during the year	
Fellow subsidiaries	Mayra Mali Management Company Limited Future Finance Limited

AS



**Future Capital Investment Advisors Limited (formerly known as Indivision Investment Advisors Limited) Schedule 14: Notes to Accounts**

**Transactions with Related parties:**

Nature of Transaction	Ultimate Holding Company		Holding Company		Fellow Subsidiaries	
	2009-2010	2008-2009	2009-2010	2008-2009	2008-2010	2008-2009
ICDs / Loan taken	-	-	-	27,100,000	-	-
ICDs / Loan repaid	-	-	-	27,100,000	-	-
Interest paid	-	-	-	138,357	-	-
Operational expenses incurred on their behalf	-	-	1,692,162	1,219,967	-	198,295
Operational expenses on Company's behalf	-	121,723	974,849	7,031,541	1,209	45,073
Lease rental and amenities charges	-	-	-	-	11,420,310	15,437,120
Fixed Assets transferred to them	-	-	-	-	-	64,769
Fixed Assets transferred to Company	-	-	90,580	100,000	-	-
Car Lease Charges paid to Future Finance Ltd	-	-	-	-	330,904	159,143
Closing Balances :						
Receivables	-	-	-	-	-	28,667
Payables – Current account	5,047,928	5,047,928	-	5,505,516	-	-
Security Deposit	-	-	-	-	12,500,000	12,500,000



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**Future Capital Investment Advisors Limited (formerly known as Indivision Investment Advisors Limited) Schedule 14: Notes to Accounts**

**7. Earnings Per Share ('EPS')**

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

	For the year ended March 31, 2010	For the year ended March 31, 2009
	Rs.	Rs.
Net profit after tax	38,867,086	20,902,801
Weighted average number of equity shares outstanding during the year	2,250,000	2,250,000
Nominal value per share	Rs.10	Rs.10
Basic and diluted EPS	17.27	9.29

There are no diluted potential equity shares outstanding during the year.

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

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

Details of dues to Micro, Small and Medium Enterprises as per MSMED Act,2006	As at March 31, 2010	As at March 31,2009
	Rs.	Rs.
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
the amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

**9. Foreign Currency**

Earnings in foreign currency (Accrual basis)	For the year ended March 31, 2010	For the year ended March 31, 2009
	Rs	Rs
Advisory Fees	98,584,658	156,437,500
Expenditure in foreign currency (Accrual basis)		
Travelling	513,969	713,533



**Future Capital Investment Advisors Limited (formerly known as Indivision Investment Advisors Limited) Schedule 14: Notes to Accounts**

**10. Segmental Reporting**

Since the Company operated in single segment (i.e. advisory services), no disclosure are required to be given as per AS-17 -Segmental Reporting issued by ICAI.

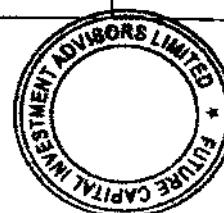
**11. Employee Benefits:**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following tables summarise the components of net benefit expense recognised in the profit and loss account and amounts recognised in the balance sheet for the respective plans

During the year, the Company has entered into an agreement with Everstone Investment Advisors Private Limited ('EIAPL') wherein all the employees of the Company have been transferred to EIAPL from January 1, 2010. Accordingly the provision for gratuity accrued till December 31, 2009 and based on actuarial valuation has been shown under Sundry creditors.

Sr.	Particulars	Gratuity (Unfunded)	
		As at March 31, 2010	As at March 31, 2009
<b>1</b>	<b>Change in Present Value of Obligation</b>		
	Present Value of the Obligation as on April 1, 2009	-	915,656
	Interest Cost	-	73,252
	Current Service Cost	-	598,497
	Benefit Paid	-	857,323
	Actuarial (gain)/ loss on obligations	-	651,174
	<b>Present Value of the Obligation as on March 31, 2010</b>	<b>-</b>	<b>1,381,255</b>
<b>2</b>	<b>Fair Value of Plan Assets</b>	<b>As at March 31, 2010</b>	<b>As at March 31, 2009</b>
	Fair Value of the Plan Assets as on April 1, 2009	-	-
	Expected return on Plan Assets	-	-
	Contributions	-	-
	Benefits paid	-	-
	Actuarial gain/ (loss) on Plan Assets	-	-
	Fair Value of the Plan Assets as on March 31, 2010	-	-
	<b>Total actuarial gain/ (loss) to be recognized</b>	<b>-</b>	<b>(651,174)</b>
<b>3</b>	<b>Actual Return on Plan Assets</b>	<b>Year ended March 31, 2010</b>	<b>Year ended March 31, 2009</b>
	Expected return on Plan Assets	-	-
	Actuarial gain/ (loss) on Plan Assets	-	-
	Actual return on Plan Assets	-	-



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**Future Capital Investment Advisors Limited (formerly known as Indivision Investment Advisors Limited) Schedule 14: Notes to Accounts**

<b>4</b>	<b>Amount recognised in the Balance Sheet</b>	<b>As at March 31, 2010</b>	<b>As at March 31, 2009</b>
	Present Value of the Obligation as on March 31, 2010	-	1,381,255
	Fair Value of Plan Assets at the end of the period	-	
<b>5</b>	<b>Amount recognised in the Profit and Loss Account</b>	<b>Year ended March 31, 2010</b>	<b>Year ended March 31, 2009</b>
	Interest Cost	-	73,252
	Current Service Cost	-	598,497
	Expected Return on Plan Assets	-	-
	Benefit Paid	-	-
	Actuarial (gain)/ loss on obligations	-	651,174
	<b>Total expense recognised in the Profit and Loss Account</b>	-	<b>1,322,923</b>
<b>6</b>	<b>Reconciliation of Balance Sheet</b>	<b>As at March 31, 2010</b>	<b>As at March 31, 2009</b>
	Present Value of the Obligation as on April 1, 2009	-	915,656
	Total expense recognised in the Profit and Loss Account	-	1,322,923
	Employer's Contribution	-	(857,323)
	<b>Present Value of the Obligation as on March 31, 2010</b>	-	<b>1,381,255</b>

The Principal assumptions used in determining obligations for the Company's plans are shown below:

<b>Assumptions</b>	<b>Gratuity (Unfunded)</b>	
	<b>March 31, 2010</b>	<b>March 31, 2009</b>
Discount rate	-	7%
Increase in Compensation cost	-	5%
Employee Turnover	-	2%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Since the Company has not funded its gratuity liability there are no returns on the planned assets.



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**Future Capital Investment Advisors Limited (formerly known as Indivision Investment Advisors Limited) Schedule 14: Notes to Accounts**

**12. Details of Investments purchased and sold during the year**

Particulars of Investments	Quantity	As at March 31, 2010	As at March 31, 2009
Templeton India Treasury Management Account Regular Plan - Daily Dividend Reinvestment	- (796)	-	1,204,040
Templeton India Treasury Management Account Institutional Plan - Daily Dividend Reinvestment	- (18446)	-	18,456,160
Reliance Liquid fund- Treasury Plan- Institutional Option - Daily Dividend Option	4,448,429 (5,88,727)	68,004,034	9,000,000
LIC MF Liquid Fund- Dividend Plan	- (13,21183)	-	14,506,732
LIC MF DDP	- (29,80,608)	-	29,806,089
Reliance Medium Term Fund - Daily Dividend Plan	-(14,21,144)	-	24,295,180
ICICI Prudential Institutional Liquid Plan - Super Institutional - Daily Dividend Reinvest	- (2,744,862)	-	27,450,000
ICICI Prudential Institutional Liquid Super Institutional Plan - Daily Dividend	2,309,514 (-)	28,500,000	-

\* Figures in bracket relates to previous year

13. The Board of Directors at their meeting held on December 11, 2009, approved the realignment of the investment advisory activities of the Company. The Company has entered into appropriate agreements with Everstone Investment Advisors Private Limited ('EIAPL'), to realign its investment advisory activities with a view to having a focused and dedicated approach to the investment advisory business. The realignment agreement is effective from January 1, 2010 wherein, EIAPL shall, in place of the Company:

- render all the investment advisory services to Indivision Capital Management ('ICM');
- enjoy all the rights in term of the investment Advisory Agreement ('IAA') entered into with ICM;
- assume, agrees and fulfill all duties and obligations conferred or imposed under the terms of IAA
- Pursuant to the above agreement the Company shall receive a consideration of Rs. 38,000,000.

**14. Prior year comparative**

Previous year's figures have been regrouped where necessary to conform to this year's classification.

As per our Report of even date

*S.R. Battiboi*  
For S.R. Battiboi & Co  
Firm Registration No.301003E  
Chartered Accountants

*Shah*

Per Hemal Shah  
Partner  
Membership No. 42650

For and on behalf of the Board of Directors of  
Future Capital Investment Advisors Limited

*G.N. Bajpai*

G.N. Bajpai  
Director

*N. Shridhar*

N. Shridhar  
Director

Place: Mumbai

Date: 24 MAY 2010

Place: Mumbai

Date: 24 MAY 2010



*B*