

Future Capital Investment Advisors Limited

Annual Report

2010-11

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Sixth Annual Report on the affairs of the Company together with the audited statement of accounts for the year ended 31st March, 2011.

FINANCIAL HIGHLIGHTS

Particulars	(Amount in Rs.)	
	Year Ended 31 st March, 2011	Year Ended 31 st March, 2010
Income from operations	-	98,584,658
Other Income	3,940,839	40,803,887
Total Income	3,940,839	139,388,545
Personnel Expenses	-	56,464,513
Administration and other expenses	354,699	27,308,242
Depreciation / Amortization	2,500,283	2,365,413
Financial Expenses	3,233	4,608
Total Expenditure	2,858,215	86,142,776
Profit/(Loss) before tax	1,082,624	53,245,769
Provision for taxation		
Current tax	-	14,487,000
Deferred tax	(615,309)	(108,317)
Fringe benefit tax	-	-
Profit/(Loss) after tax	1,697,933	38,867,086
Profit brought forward from Previous year / period	92,467,029	53,599,943
Balance carried forward to Balance Sheet	94,164,962	92,467,029

During the period under review, income from operations was NIL and the total income of the Company was Rs. 3,940,839/- and the profit after tax was Rs. 1,697,933/-

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.

DIRECTORS

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.

PARTICULARS OF EMPLOYEES

There are no particulars to be disclosed in respect of employees drawing remuneration requiring disclosure under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended by the Companies (Particulars of Employees) Amendment Rules, 2011.

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 31st March, 2011, 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 31st March, 2011, 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 31st March 2011, is enclosed and forms part of this report. (Annexure – A)

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,

S.V. GHATALIA & ASSOCIATES

Chartered Accountants

6th Floor, Express Towers
Nariman Point
Mumbai-400 021, India
Tel: +91 22 6657 9200
Fax: +91 22 2287 6401

Auditors' Report

To,
The Members of Future Capital Investment Advisory Limited

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

S.V. Ghatalia & Associates

For S.V. Ghatalia & Associates
Firm registration number: 103162W
Chartered Accountants

Amit

Per Amit Kabra
Partner
Membership No.: 094533
Mumbai,
Date-20 JUN 2011



S. V. GHATALIA & ASSOCIATES

Chartered Accountants

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

Re: Future Capital Investment Advisory 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) The Company does not have any inventory. Hence, the provisions of Clause 4(ii)(a), (b) and (c) of the Companies (Auditor's Report) Order 2003 (as amended) are not applicable to the Company.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence, the provisions of clause 4 (iii) (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 secured or unsecured loans from Companies, Firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence, the provisions of clause 4 (iii) (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 sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the company.
- (v) According to the information and explanations provided by the management, we are of the opinion that the Company has not entered into any contracts or arrangements with the companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. The provisions of clause 4(v)(b) of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) To the extent of our knowledge and as explained, Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.



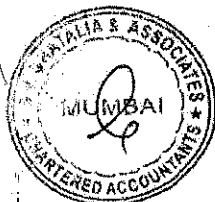
S. V. GHATALIA & ASSOCIATES

Chartered Accountants

- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, service tax, cess and other material statutory dues applicable to it. The Provisions relating to provident fund, investor education and protection fund, employees' state insurance, sales-tax, wealth-tax, customs duty, excise duty are not applicable to the company.

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

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



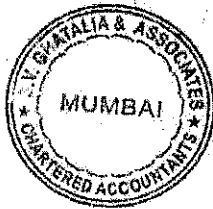
S.V. GHATALIA & ASSOCIATES

Chartered Accountants

- (xix) The Company did not have any outstanding debenture during the year.
- (xx) The Company did not raise any money by way of public issues during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit

S.V. Ghatalia & Associates
For S.V. Ghatalia & Associates
Firm registration number: 103162W
Chartered Accountants

Amit Kabra
per Amit Kabra
Partner
Membership No.: 094533
Place: Mumbai
Date: 20 JUN 2011

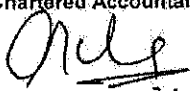


Future Capital Investment Advisors Limited
Balance Sheet as at March 31, 2011

	Schedules	As at March 31, 2011	Amount in Rupees As at March 31, 2010
SOURCES OF FUNDS			
Shareholders' Funds			
Share capital	1	22,500,000	22,500,000
Reserves and surplus	2	94,164,962	92,467,029
		<u>116,664,962</u>	<u>114,967,029</u>
Deferred tax liabilities (net) [Refer note C3 of Schedule 14]			615,309
Total		<u><u>116,664,962</u></u>	<u><u>115,582,338</u></u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross block	3	23,175,589	23,175,589
Less: Accumulated depreciation/ amortisation		9,825,666	7,325,383
Net block		<u>13,349,923</u>	<u>15,850,206</u>
Investments	4	77,750,544	68,987,755
Current assets, loans and advances			
Sundry debtors	5	19,000,000	38,000,000
Cash and bank balances	6	204,747	788,675
Loans and advances	7	13,410,544	19,310,423
	(A)	<u>32,615,291</u>	<u>58,099,098</u>
Less: Current liabilities and provisions	8		
Current liabilities		7,050,796	9,067,453
Provisions			8,287,268
	(B)	<u>7,050,796</u>	<u>17,354,721</u>
Net current assets	(A-B)	25,564,495	40,744,377
Total		<u><u>116,664,962</u></u>	<u><u>115,582,338</u></u>
Notes to Accounts	14		

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

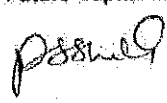
As per our Report of even date
S.V. Ghatalia & Associates
For S. V. Ghatalia & Associates
Firm Registration No. 103162W
Chartered Accountants



per Amit Kabra
Partner
Membership No. 094533

Place: Mumbai
Date: 20 JUN 2011

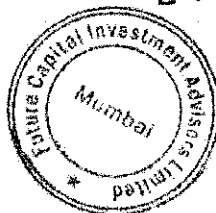


For and on behalf of the Board of Directors of
Future Capital Investment Advisors Limited


Director


Director

Place: Mumbai
Date: 20 JUN 2011



Future Capital Investment Advisors Limited
Profit and Loss Account for the year ended March 31, 2011

Amount in Rupees

	Schedules	For the year ended March 31, 2011	For the year ended March 31, 2010
INCOME			
Income from operations	9	-	98,584,658
Other income	10	3,940,839	40,803,887
Total		3,940,839	1,39,388,545
EXPENDITURE			
Personnel expenses	11	-	56,464,513
Administration and other expenses	12	354,699	27,308,242
Depreciation/ amortisation	3	2,500,283	2,365,418
Financial expenses	13	3,233	4,608
Total		2,858,215	86,142,778
Profit before tax		1,082,624	53,245,769
Provision for tax:			
Current tax		(615,309)	14,487,000
Deferred tax		(615,309)	(108,317)
		1,697,933	14,378,683
Profit after tax		1,697,933	38,867,088
Balance brought forward from previous year		92,467,029	53,599,943
Balance carried to Balance Sheet		94,164,962	92,467,029
Earnings per share: (Refer note C7 of Schedule 14)		0.75	17.27
Basic and Diluted			

14

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

As per our Report of even date

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

Amit Kabra

per Amit Kabra
 Partner
 Membership No. 094533

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

Prasad

Director

Prasad

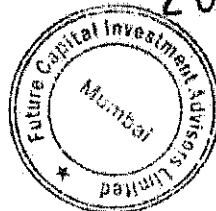
Director

Place: Mumbai

Date: 20 JUN 2011

Place: Mumbai

Date: 20 JUN 2011



FUTURE CAPITAL INVESTMENT ADVISORS LIMITED
Cash Flow Statement for the year ended March 31, 2011

	Year ended March 31, 2011	Amount in Rupees Year ended March 31, 2010
A. Cash Flow from Operating Activities		
Net Profit before Tax	1,082,624	53,245,769
Adjustments		
Foreign exchange loss (net)	7,329	1,467,252
Provision for doubtful advances		1,825,000
Dividend income	(3,161,837)	(1,632,637)
Interest on Fixed Deposits		(344,479)
Loss on sale of fixed assets		233,431
Depreciation	2,500,283	2,365,413
Excess provision written back	(778,050)	
Operating Profit before working capital changes	(349,651)	57,159,749
Adjusted For:		
(Increase)/ Decrease in Sundry Debtors	18,992,671	(13,161,920)
(Increase)/ Decrease in Loans and Advances	6,352,361	10,675,717
Increase/ (Decrease) in Current Liabilities and provisions	(1,238,607)	(35,010,562)
Net cash generated from operations	23,756,774	19,662,985
Taxes paid	(8,739,750)	(6,729,040)
Net Cash generated from Operating Activities (A)	15,017,024	12,933,945
B. Cash Flow from Investing Activities		(1,980,879)
Purchase of Fixed Assets		90,965
Sale of fixed assets		1,632,637
Dividend income	3,161,837	344,479
Interest received on Fixed Deposits		87,202
Net Cash generated from Investing Activities (B)	3,161,837	
Net increase in cash and cash equivalent during the year (A+B)	18,178,861	13,024,146
Cash and cash equivalents as at the beginning of the year	59,776,430	46,752,284
Cash and cash equivalents as at the end of the year	77,955,291	59,776,430
Cash and cash equivalents comprises:	As at March 31, 2011	As at March 31, 2010
Cash in hand	419	1,723
Balances with banks in current accounts	204,328	776,952
Short term investments in liquid mutual funds	77,750,544	58,987,755
	77,955,291	59,776,430

As per our report of even date

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

Amit Kabra
 per Amit Kabra
 Partner
 Membership No. 094533

Place: Mumbai
 Date: 20 JUN 2011

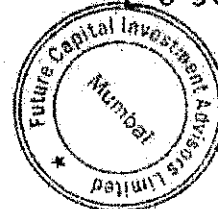


For and on behalf of the Board of Directors of
Future Capital Investment Advisors Limited

P. S. Chaudhary
 Director

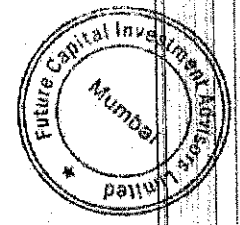
J. J. Jambhale
 Director

Place: Mumbai
 Date: 20 JUN 2011



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

	As at March 31, 2011	As at March 31, 2010
Schedule 1 : Share Capital		
Authorised		
2,500,000 (Previous year: 2,500,000) Equity shares of Rs. 10/- each	25,000,000	25,000,000
Total	25,000,000	25,000,000
Issued, Subscribed & Paid-up		
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		
Total	22,500,000	22,500,000
Schedule 2 : Reserves and surplus		
Profit and Loss Account		
Balance carried from profit and loss account	94,164,962	92,487,029
Total	94,164,962	92,487,029



RS

FUTURE CAPITAL INVESTMENT ADVISORS LIMITED

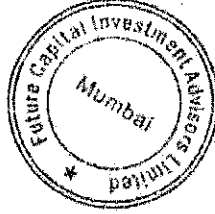
Schedules forming part of Balance Sheet as at March 31, 2011

SCHEDULE 3 : Fixed Assets

Particulars	GROSS BLOCK		As at 31-Mar-11	As at 01-Apr-10	DEPRECIATION / AMORTISATION		NET BLOCK	
	Additions during the year	Deductions during the year			For the year	Depreciation / Adjustment	As at 31-Mar-11	As at 31-Mar-10
Intangible Assets Computer Software	175,953	-	175,953	175,927	26	-	175,953	26
Tangible Assets								
Computers and Printers	5,575,463	-	5,575,453	2,320,151	899,684	-	3,810,835	2,655,302
Office Equipment	4,598,381	-	4,598,361	749,473	216,440	-	3,632,468	3,848,908
Furniture and Fixtures	5,775,595	-	5,775,595	1,134,647	364,874	-	1,499,521	4,640,948
Electrical Installations	1,842,166	-	1,842,168	273,866	87,503	-	361,369	1,968,302
Leasehold Improvements	4,487,701	-	4,487,701	1,964,077	897,540	-	2,861,617	2,523,624
Air Conditioners	720,338	-	720,338	107,242	34,216	-	141,458	613,096
Total	23,175,589	-	23,175,589	7,325,383	2,500,283	-	9,825,666	13,349,923
Previous Year	21,669,497	1,980,879	23,175,589	5,110,361.50	2,355,413	150,391	7,325,383	15,850,206

Notes:

1. Includes Rs. 15,357,178 (Previous year : 15,367,178) the cost of company's share in the Assets, which are co-owned with other entities
2. Includes Rs. 1,571,860 (Previous year : Rs. 4,974,444) towards the depreciation on co-owned assets with other entities
3. The net block of assets co-owned with other entities is Rs. 8,810,874 (Previous year : Rs. 10,362,734)
4. The above are in possession and use by Everstone Investor Advisors Private Limited



Handwritten signature or initials.

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

As at
March 31, 2011

As at
March 31, 2010

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 (Ungquoted)
(Non Trade)

ICICI Prudential Liquid Super Institutional Plan - Daily Dividend

Quantity*

(406,987)

40,707,888

ICICI Prudential Liquid Super Institutional Plan - Growth

428,783

61,969,664

(-)

Reliance Liquid Fund - Treasury Plan-Institutional Option- Daily Dividend
Option

(1,195,768)

18,280,067

Reliance Liquid Fund - Treasury Plan-Institutional Option- Growth Option

423,492

10,080,880

(-)

Peerless Liquid Fund-Super Institutional-Growth

554,123

5,700,000

(-)

*(figure in bracket relates to previous year)

Total

77,750,544

88,987,755

Net Asset Value of units in mutual funds

78,221,319

98,987,755

Schedule 5 : Sundry Debtors

(Unsecured, considered good)

Debts outstanding for a period exceeding six months

19,000,000

38,000,000

Other debts

19,000,000

38,000,000

Total

19,000,000

38,000,000

Schedule 6 : Cash and Bank Balances

Cash on hand

419

11,723

Balance with scheduled banks:

204,328

776,952

- on current account

204,747

788,675

Total

204,747

788,675

Schedule 7 : Loans and Advances

Unsecured, considered good

452,482

Advance taxes (net of provision for tax)

323,117

323,117

Fringe benefit tax (net of provision for fringe benefit tax)

12,500,000

2,500,000

Security deposits

Advances recoverable in cash or in kind or for value to be received

134,945

6,487,306

- Considered good

1,825,000

1,825,000

- Considered doubtful

(1,825,000)

(1,825,000)

Less: Provision for doubtful advances

13,410,544

19,310,423

Total

13,410,544

19,310,423

Schedule 8 : Current Liabilities and Provisions

(A) Current Liabilities

Sundry creditors

(Refer note C8 of Schedule 14)

- Due to micro and small enterprises

7,035,883

8,784,195

- Due other than micro and small enterprises

14,913

283,258

Other liabilities

7,050,796

9,067,453

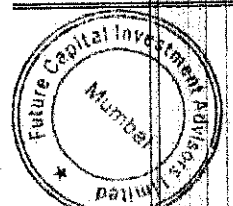
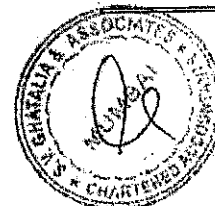
(B) Provisions

Provision for Income tax (net of advance income tax)

8,287,268

Total

8,287,268



PS

Future Capital Investment Advisors Limited
Schedules forming part of the Profit and Loss Account

Schedule 9 : Income from operations
Investment Advisory fees

Total

For the year ended
March 31, 2011

For the year ended
March 31, 2010

98,584,658

98,584,658

Schedule 10 : Other Income

Dividend income
Profit on sale of mutual fund units
Interest on fixed deposits
(TDS Rs. Nil; Previous year: Rs. 70,963)
Excess provision written back
Other income
Sale of rights under realignment agreement

Total

3,161,837

952

778,050

3,940,839

1,632,637

4,316

344,479

822,455

38,000,000

40,803,887

Schedule 11 : Personnel expenses

Salaries, wages and allowances
Contribution to provident and other funds
Staff welfare

Total

54,442,286

1,785,956

236,261

56,464,513

Schedule 12 : Administrative and other expenses

Rent
Rates and taxes
Insurance Charges
Repairs and maintenance
- Others
Business promotion expenses
Traveling expenses
Communication expenses
Printing and stationery
Courier Charges
Legal and professional
Membership and subscription
Auditor's Remuneration
Audit fees
Out of pocket expenses
Electricity charges
Conference expenses
Directors sitting fees
Loss on sale of fixed assets
Foreign exchange losses (net)
Provision for doubtful advances
Miscellaneous expenses

Total

7,898

20,937

89,133

151,214

55,150

2,681

10,000

7,329

10,357

354,699

12,950,555

54,615

411,920

1,016,934

293,184

2,863,114

1,402,802

182,786

706,531

2,025,437

193,025

18,619

767,387

30,850

40,000

233,431

1,467,282

1,825,000

824,800

27,308,242

Schedule 13 : Finance Charges

Bank charges

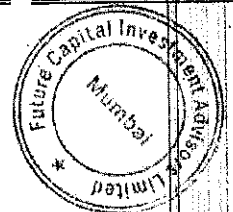
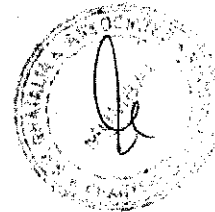
Total

3,233

3,233

4,608

4,608



Future Capital Investment Advisors Limited
Schedule 14: Notes to Accounts

A. NATURE OF OPERATION

Future Capital 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, 2008 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.

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 year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates

3. 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.

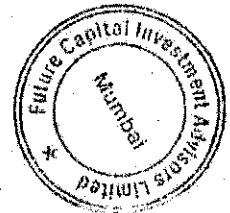
Intangible assets costing Rs. 25000/- or more are amortised on straight line basis over a period of three years, based on management's estimate of the useful life of these intangible assets.

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.



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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.

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.

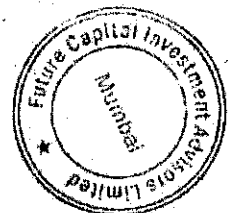
Profit/Loss on sale of investments

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.

Rs



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.

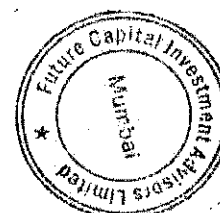
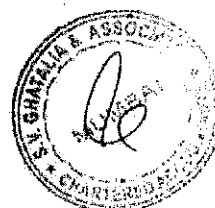
10. Taxation

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.

PS



Future Capital Investment Advisors Limited
Schedule 14: Notes to Accounts

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 year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

C NOTES ON ACCOUNTS

1. Contingent Liabilities

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

2. Capital Commitment

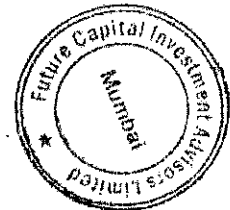
Capital commitments Rs. Nil (Previous Year Rs.Nil)

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

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

	As at March 31, 2011 Rs.	As at March 31, 2010 Rs
Deferred Tax Liabilities		
On depreciation	895,124	1,245,116
Sub-total	895,124	1,245,116
Deferred Tax Assets		
On Preliminary Expenses		9,489
On Gratuity Provision	543,367	-
On Leave Encashment		-
On Doubtful Advances	351,757	620,318
Sub-total	895,124	629,807
Deferred tax(Assets)/Liabilities (net)	Nil	615,309

Based on prudence, the Company has recognized deferred tax assets to the extent of deferred tax liability



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Future Capital 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, 2011	For the year ended March 31, 2010
	Rs.	Rs.
Net profit after tax	1,697,933	38,867,086
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	0.75	17.27

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 Small, Micro and Medium Enterprises is based on the Management knowledge of their status.

9. Foreign Currency

Earnings in foreign currency (Accrual basis)	For the year ended March 31, 2011	For the year ended March 31, 2010
	Rs	Rs
Advisory Fees	Nil	98,584,658
Expenditure in foreign currency (Accrual basis)		
Travelling	Nil	513,969

10. Segmental Reporting

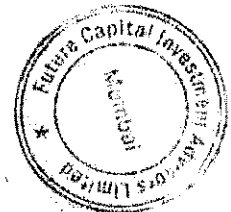
Since the Company operated in single segment (i.e. advisory services), no disclosure are required to be given as per AS-17 -Segmental Reporting issued by ICAI.

11. Employee Benefits:

During the previous year, the Company had entered into an agreement with Everstone Investment Advisors Private Limited ('EIAPL') wherein all the employees of the Company were transferred to EIAPL with effect from January 1, 2010. Accordingly a provision for gratuity accrued till December 31, 2009 in respect of these employees based on actuarial valuation as at the date of transfer has been shown under Sundry creditors.

The Company did not have any employees during the year under audit.

PS



Future Capital Investment Advisors Limited
Schedule 14: Notes to Accounts

12. Details of Investments purchased and sold during the year

Particulars of Investments	Quantity	2010-11	2009-10
Reliance Liquid fund- Treasury Plan- Institutional Option - Daily Dividend Option	(4,448,429)	Nil	68,004,034
ICICI Prudential Institutional Liquid Super Institutional Plan - Daily Dividend	(2,309,514)	Nil	28,500,000

* Figures in bracket relates to previous year

13. During the previous year, the Company had 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 was effective from January 1, 2010 wherein, the Company received consideration of Rs. 38,000,000, which has been accounted under other income.

14. Prior year comparatives

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

As per our Report of even date

S.V. Ghatalia & Associates

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

Amit Kabra

Per Amit Kabra
Partner
Membership No. 094533

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

P. S. S. S.

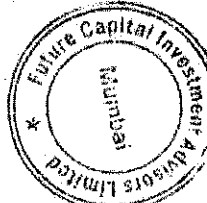
Director

[Signature]

Director

Place: Mumbai
 Date: **20 JUN 2011**

Place: Mumbai
 Date: **20 JUN 2011**



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

I. Registration Details

Registration No.
 State Code
 Balance Sheet Date
 Date Month Year

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

Public Issue

 Bonus Issue

Rights Issue

 Private Placement

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

Total Liabilities (including shareholder's funds)

Total Assets

Sources of Funds

Paid-up Capital

Reserves and Surplus

Secured Loans

Unsecured Loan

Deferred Tax

Application of Funds

Net Fixed Assets

Investments

(Please tick appropriate box + for Positive, - for Negative)

Net Current Assets

Miscellaneous Expenditure

Accumulated Losses

IV Performance of Company (Amount in Rs. Thousands)

Turnover (including other income)

Total Expenditure

(Please tick appropriate box + for Profit, - for Loss)

Profit/Loss Before Tax

(Please tick appropriate box + for Profit, - for Loss)

Profit/Loss After Tax

(Please tick appropriate box + for Positive, - for Negative)

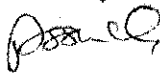
Earning Per Share (in Rs.)

Dividend Rate %

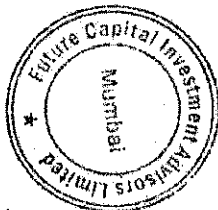
V Generic Names of Principal Products / Services of Company (as per monetary terms)

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

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


 Director


 Director



Place: Mumbai
 Date: