

FCH SECURITIES AND ADVISORS LIMITED

***(Formerly known as Ambit Investment Advisory
Company Limited)***

Annual Report

2010-11

DIRECTORS' REPORT

Dear Members,

Your Directors present 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

(Amount in Rs.)		
Particulars	Year Ended 31 st March, 2011	Year Ended 31 st March, 2010
Income from sale of shares	-	-
Other Income	870,682	1,239,382
Total Income	870,682	1,239,382
Administration and other expenses	289,468	358,425
Financial Expenses	3,664,624	3,818,547
Total Expenditure	39,54,092	4,176,972
Profit/(Loss) before taxation and prior period items	(3,083,410)	(2,937,590)
Provision for taxation :		
Current Tax	-	1,369,564
MAT credit entitlement	-	-
Profit/(loss) after tax and before prior period items	(3,083,410)	(4,307,154)
Prior period expenses		-
Net profit/(loss) for the year	(3,083,410)	(4,307,154)
Balance brought forward previous year	(4,149,419)	157,735
Balance carried forward to Balance Sheet	(7,232,829)	(4,149,419)

The total income of the Company during the year stood at Rs. 870,682 /- and the loss after tax was Rs. 3,083,410 /-.

DIVIDEND

Considering the financial performance of the Company, your Directors do not recommend any dividend for the financial under review.

DIRECTORS

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

PARTICULARS OF EMPLOYEES

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) that in the preparation of the annual accounts for the financial year ended 31st March, 2011, the applicable accounting standards had been followed.
- b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year.
- c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) that the Directors have prepared the annual accounts for the financial year ending 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 attached 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, regulatory authorities including Ministry of Corporate Affairs and the Company's business associates for their valuable guidance and support and wish to express our sincere appreciation for their continued co-operation and assistance. We look forward to their continued support in future.

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

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

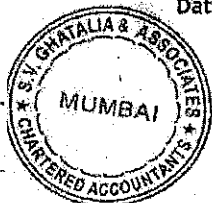
Auditors' Report

To,
The Members of FCH Securites and Advisors Limited (Formerly Known as Ambit Investment Advisors Company Limited)

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

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

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



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's accumulated losses at the end of the financial year are less than fifty percent of its net worth and it has 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 has 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.



FCH Securities & Advisors Limited
(Formerly Known as Ambit Investment Advisory Company Limited)

Balance Sheet as at March 31, 2011

	Schedules	As at March 31, 2011	Amount in rupees As at March 31, 2010
<u>SOURCES OF FUNDS</u>			
SHAREHOLDERS' FUND:			
Share capital	1	22,500,000	22,500,000
		22,500,000	22,500,000
LOAN FUNDS:			
Unsecured loans	2		26,700,000
TOTAL		22,500,000	49,200,000
<u>APPLICATION OF FUNDS</u>			
INVESTMENTS			
	3	15,000,000	46,903,194
CURRENT ASSETS, LOANS AND ADVANCES:			
Cash and bank balances	4	361,890	27,002
Loans and advances	5	133,231	63,231
		495,121	90,233
LESS: CURRENT LIABILITIES:			
Current liabilities	6	227,950	1,942,846
		227,950	1,942,846
NET CURRENT ASSETS		267,171	(1,852,613)
PROFIT AND LOSS ACCOUNT		7,232,829	4,149,419
TOTAL	TOTAL	22,500,000	49,200,000
Notes to accounts	10		

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

[Signature]
per Amit Kabra
Partner
Membership No. 094533

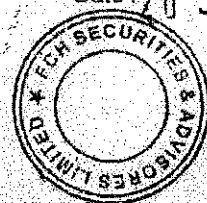
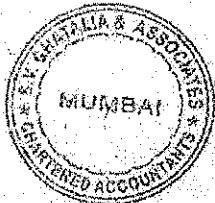
For and on behalf of the Board of Directors of
FCH Securities & Advisors Limited

[Signature]
Director

[Signature]
Director

Place : Mumbai
Date : 20 JUN 2011

Place : Mumbai
Date : 20 JUN 2011



FCH Securities & Advisors Limited
(Formerly Known as Ambit Investment Advisory Company Limited)

Cash Flow Statement for the year ended March 31, 2011

	For the year ended March 31, 2011	Amount in Rupees For the year ended March 31, 2010
A. Cash Flow from Operating Activities		
Net profit/ (loss) before tax	(3,083,410)	(2,937,590)
<u>Adjustments:</u>		
Interest income		(57,904)
Profit on sale of shares	(529,040)	(731,130)
Dividend Income	(300,000)	(450,348)
Financial Expenses	3,664,624	3,818,547
Operating profit before working capital changes	(247,826)	(358,425)
<u>Adjustments:</u>		
(Increase)/ Decrease in loans and advances		177,982
(Decrease)/ Increase in current liabilities	(1,714,896)	(1,328,376)
	(1,962,722)	(1,508,818)
Taxes paid (Incl. Deduction of Tax at Source)	(70,000)	(1,170,894)
Net Cash from Operating Activities (A)	(2,032,722)	(2,679,712)
B. Cash Flow from Investing Activities		
Purchase of Investments	(15,000,000)	(105,334,205)
Sale of Investments	47,432,234	70,954,665
Interest income		57,904
Dividend Income	300,000	450,348
Net Cash from Investing Activities (B)	32,732,234	(33,871,289)
C. Cash Flow from Financing Activities		
Proceeds from borrowings		83,900,000
Repayment of borrowings	(26,700,000)	(57,200,000)
Financial Expenses	(3,664,624)	(663,391)
Net Cash Flow from Financing Activities (C)	(30,364,624)	26,036,609
Net Increase / (Decrease) in Cash and Cash Equivalent during the Year (A+B+C)	334,888	(10,514,392)
Cash and Cash equivalents, beginning of the year	27,002	10,541,394
Cash and Cash equivalents, end of the year	361,890	27,002
<u>Components of cash and cash equivalents:</u>		
<u>Balance with scheduled banks:</u>		
- in current account	361,890	27,002
	361,890	27,002

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
FCH Securities & Advisors Limited

Prasad
Director

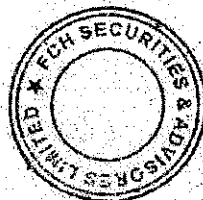
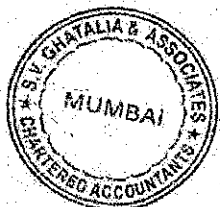
Prasad
Director

Place : Mumbai

Date : 20 JUN 2011

Place : Mumbai

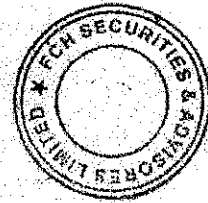
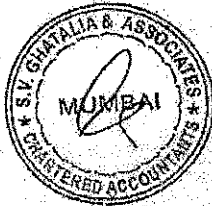
Date : 20 JUN 2011



FCH Securities & Advisors Limited
(Formerly Known as Ambit Investment Advisory Company Limited)

Schedules forming part of the Profit and Loss Account

	For the year ended March 31, 2011	Amount in rupees For the year ended March 31, 2010
SCHEDULE 7		
Other Income		
Interest income: (TDS Rs. Nil; Previous year: Rs. 9,511)		57,904
Profit on sale of shares (net)	529,040	731,130
Dividend Income	300,000	450,348
Excess provision written back	41,642	
	870,682	1,239,382
SCHEDULE 8		
Administrative and Other Expenses		
Rates and taxes	10,453	2,440
Security Transaction tax	59,421	194,785
Demat account charges	21,290	25,630
<u>Auditor's remuneration</u>		
- Audit fees	55,150	58,191
- out of pocket expenses	1,087	4,810
Legal and professional	141,133	72,509
Miscellaneous expenses	954	60
	289,468	358,425
SCHEDULE 9		
Financial Expenses		
Interest on loan	3,664,624	3,818,547
	3,664,624	3,818,547



PS

SCHEDULE 10
Significant Accounting Policies And Notes To Accounts

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. 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 income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

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

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

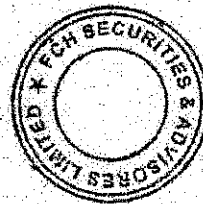
7. Earnings Per Share

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

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

8. Cash and Cash Equivalents

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



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SCHEDULE 10
Significant Accounting Policies And Notes To Accounts

b) Transactions with Related Party

Nature of transaction	Holding Company		Fellow Subsidiaries	
	2010-11	2009-10	2010-11	2009-10
ICDs / Loan taken	-	82,500,000	-	-
Repayment of ICD/ Loans	26,700,000	55,800,000	-	-
Interest expense	3,664,623	3,818,547	-	-
Reimbursement of expenses	78,775	1,030,119	276,632	-
Closing Balances: Receivable/ (Payable)/				
ICDs/ Loans	-	(26,700,000)	-	-

4. Earnings Per Share

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

Particulars	Year ended	Year ended
	March 31, 2011	March 31, 2010
	Rs.	Rs.
Net loss for the year	(3,083,410)	(4,307,154)
Weighted average number of equity shares outstanding during the year	2,250,000	2,250,000
Nominal value per share	10	10
Basic and diluted EPS	(1.37)	(1.91)

5. Segment Reporting

Since the company operates in a single segment of providing investment advisory services, no disclosure is required by AS-17 Segmental Reporting.

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

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

7. Deferred Tax Assets

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



FCH Securities & Advisors Limited
 (Formerly Known as Ambit Investment Advisory Company 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
 FCH Securities & Advisors Limited


 Director


 Director

Place: Mumbai

Date: 20 JUN 2007

