

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. V. Vaidyanathan
Mr. Ashokkumar Shinkar
Mr. Apul Nayyar
Mr. V. Sriram
Mr. K. R. Kamath

STATUTORY AUDITORS

M/s. S. V. Ghatalla & Associates

BANKER

HDFC Bank Limited
ICICI Bank Limited
Axis Bank Limited

REGISTERED OFFICE

Bombay Mutual Building,
2nd floor, Dr. D. N. Road,
Fort, Mumbai - 400001
Tel No. : +91 22 6642 3485
Fax No.: +91 22 6642 3401

DIRECTORS' REPORT

Dear Members,

Your Directors present the Fourth 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 30 th June, 2010
Income from operation	5,22,49,249	7,07,10,085
Other Income	33,14,052	79,61,528
Total Income	55,56,301	7,86,71,613
Administration and other expenses	19,64,43,210	16,62,67,524
Preliminary expenses written off	-	-
Total Expenditure	19,64,43,210	16,62,67,524
Profit/(Loss) before taxation and prior period items	(14,08,79,909)	(8,75,95,911)
Provision for taxation :		
Current Tax	-	-
Deferred Tax	-	-
Profit/(loss) after tax and before prior period items	(14,08,79,909)	(8,75,95,911)
Balance brought forward previous year	(26,92,55,200)	(18,16,59,289)
Balance carried forward to Balance Sheet	(41,01,35,109)	(26,92,55,200)

During the year loss after tax stood at Rs. 26,92,55,200 /- comprising mainly of administrative expenses. The Board of Directors of the Company vide its resolution dated 29th March, 2011, approved change in the financial year of the company from 30th June to 31st March every year.

HOLDING COMPANY

As a part of broader Corporate Restructuring between the Joint Venture Partners, the Company became the Wholly Owned Subsidiary of Future Capital Holdings Limited, subject to necessary approvals.

DIVIDEND

Your Directors regret their inability to recommend any dividend for the financial year under review.

DIRECTORS

During the year under review, the Board of Directors appointed Mr. Ashokkumar Shinkar as the Additional Director with effect from 31st December, 2010. The Board also appointed Mr. V. Vaidyanathan and Mr. Apul Nayyar as the Additional Directors with effect from 18th May, 2011. In terms of Section 260 of the Companies

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 have 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.

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, its bankers, regulatory authorities including Ministry of Corporate Affairs and business associates for their valuable guidance and support. We look forward to their continued support in future.

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

On behalf of the Board of Directors			
		Sd/-	Sd/-
<i>Date</i>	: 20 th June, 2011	V. Vaidyanathan	Ashokkumar Shinkar
<i>Place</i>	: Mumbai	<i>Director</i>	<i>Director</i>

S.V. GHATALIA & ASSOCIATES

Chartered Accountants

6th Floor, Express Towers
Nariman Point
Mumbai-400 021, India
Tel: +91 22 8657 4200
Fax: +91 22 2287 6401

Auditors' Report

To
The Members of FCH Centrum Wealth Managers Limited
(Formerly Centrum Wealth Managers Limited)

1. We have audited the attached Balance Sheet of FCH Centrum Wealth Managers Limited ("the Company") as at March 31, 2011 and also the Profit and Loss account and the cash flow statement for the nine months 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. Without qualifying our opinion, we draw attention to note 12 of schedule 15 to the financial statements. As at March 31, 2011 the company's had accumulated losses of Rs. 410,135,109 which has resulted in reduction in the net worth of the Company. The Company has incurred losses of Rs. 140,879,909 during the period. The Company's board of directors has reviewed the business plans and other general economic factors. Based on such review and continued financial support from the Company's holding Company Future Capital Holdings Limited, the accompanying financial statements have been prepared under the going concern assumption.
5. 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;



S.V. GHATALIA & ASSOCIATES

Chartered Accountants

Annexure referred to in paragraph [3] of our report of even date
Re: FCH Centrum Wealth Managers 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 period and no material discrepancies were noticed on such verification.
- (c) There was no disposal of a substantial part of fixed assets during the year.
- (II) The company did not have any inventory during the period. Consequently, clauses 4(II) (a), 4(II) (b), and 4(II) (c) 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 Act. Therefore, the provisions of clause 4(III) (a) to (d) of the Order are not applicable to the Company and hence not commented upon.
- (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 Act. Therefore, the provisions of clause 4(III) (e) to (g) of the Order are not applicable to the Company and hence not commented upon.
- (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 major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (V) In our opinion, there are no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956.
- (VI) The Company has not accepted any deposits from the public.
- (VII) The provisions relating to internal audit are not applicable to the Company.
- (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, employees' state insurance, income-tax, service tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities *though there has been slight delay in a one case of professional tax*. The provisions relating to investor education and protection fund, wealth-tax, sales-tax, customs duty and excise duty are not applicable to the Company.



S. V. GHATALIA & ASSOCIATES

Chartered Accountants

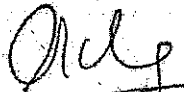
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the period.
- (xx) The Company has not raised any money through a public issue during the period.
- (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

S.V. Ghatalia & Associates

Firm registration number: 103162W

Chartered Accountants



per Amit Kabra

Partner

Membership No.: 094533

Place: Mumbai

Date: MAY 9, 2011



FCH Centrum Wealth Managers Limited
(Formerly Centrum Wealth Managers Limited)

Profit and Loss Account for the period ended March 31, 2011

PARTICULARS	Schedules	For the period ended March 31, 2011 Rs.	For the year ended June 30, 2010 Rs.
INCOME			
Income from operations	11	52,249,249	70,710,085
Other income	12	3,314,052	7,961,528
TOTAL		55,563,301	78,671,613
EXPENDITURE			
Personnel expenses	13	75,564,269	62,565,696
Operating and other expenses	14	61,628,545	96,064,703
Depreciation/amortization	4A / 4B	10,791,239	5,719,211
Impairment Losses [Refer Note 15 of Schedule 15]		40,088,724	
Financial expenses		8,970,373	1,917,914
TOTAL		196,443,210	166,267,524
Loss before tax		(140,879,909)	(87,595,911)
Provision for tax			
Current tax			
Deferred tax [Refer Note 10 of Schedule 15]			
Loss after tax		(140,879,909)	(87,595,911)
Balance brought forward from previous year		(269,255,200)	(181,659,289)
Deficit carried to Balance Sheet		(410,135,109)	(269,259,200)
Earnings per share			
Basic and diluted [Refer Note 9 of Schedule 15]		(53.96)	(35.50)
Notes to Accounts:	15		

The schedules referred to above and the 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 Number : 103162W
Chartered Accountants

Amit Kabra
per Amit Kabra
Partner
Membership No.: 094533
Place : Mumbai,
Date : MAY 9, 2011



For and on behalf of the Board of Directors of
FCH Centrum Wealth Managers Limited

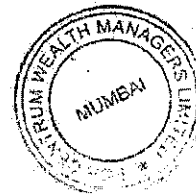
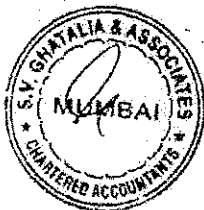
[Signature]
Director

[Signature]
Director

FCH Centrum Wealth Managers Limited
(Formerly Centrum Wealth Managers Limited)

Schedules to the Accounts

	March 31, 2011 Rs.	June 30, 2010 Rs.
Schedule 1: Share Capital		
Authorised		
3,000,000 (Previous Year : 3,000,000) Equity Shares of Rs.10/- each	30,000,000	30,000,000
2,500,000 (Previous Year : 1,000,000) 12% Cumulative, Non-Convertible and Redeemable Preference Shares of Rs. 100/- each	250,000,000	100,000,000
	<u>280,000,000</u>	<u>130,000,000</u>
Issued, Subscribed and Paid-Up		
Equity Share Capital		
2,805,600 (Previous Year : 2,805,600) Equity Shares of Rs.10/- each fully paid-up	28,056,000	28,056,000
[The above 2,805,600 equity shares of Rs. 10/- each fully paid up are held by Future Capital Holdings Limited and its nominees (Previous Year 1,402,300 Shares of Rs.10/- Each)]		
Preference Share Capital		
2,500,000 (Previous Year : 1,000,000) 12% Cumulative, Non-Convertible and Redeemable Preference Shares of Rs. 100/- each fully paid-up	250,000,000	100,000,000
[The above 2,500,000 preference shares of Rs 100/- each fully paid up are held by Future Capital Holdings Limited (Previous Year Nil)]		
	<u>278,056,000</u>	<u>128,056,000</u>
Schedule 2: Reserves and Surplus		
Securities Premium Account	236,140,800	236,140,800
	<u>236,140,800</u>	<u>236,140,800</u>
Schedule 3: Unsecured Loan		
Inter Corporate Borrowings	4,700,000	41,100,000
	<u>4,700,000</u>	<u>41,100,000</u>



FCH Centrum Wealth Managers Limited
(Formerly Centrum Wealth Managers Limited)

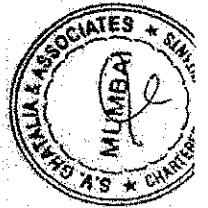
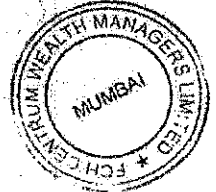
Schedules to the Accounts

	Face value		March 31, 2011		June 30, 2010	
	Rs.	Units	Rs.	Units	Rs.	Units
<u>Schedule 5 : Investments</u>						
Other than Trade (Unquoted)						
Current Investments (At lower of cost or net asset value)						
Investments in Mutual Funds:						
Reliance Liquid Fund	10			825.83		12,625
- Treasury Plan Institutional Option - Daily Dividend Plan						
[Net Asset Value as on June 30, 2010 Rs. 12,625/-						
(Previous Year Rs. NIL)]						

Details of Purchases & Redemption During the Year
(Purchases include Dividend Reinvestments)

	Purchases		Redemption	
	No. of Units	Amount	No. of Units	Amount
Reliance Money Manager Fund				
- Institutional Option - Daily Dividend Plan	(6.50)	(6,505.88)	(1,106.75)	(1,108,008.74)
Reliance Medium Term Fund- Daily Dividend Plan	(1,834.61)	(31,369.77)	(460,144.61)	(7,866,402.10)
Reliance Liquid Fund				
- Treasury Plan - Institutional Option - Daily Dividend Option	2.88	36.49	828.21	12,661.15
	(458,725.25)	(7,072,624.66)	(457,899.42)	(7,000,000.00)

* Figures in Brackets refer to Previous Year
Aggregate Value of Unquoted Investments Rs: NIL
(Previous Year Rs. 12,625)



FCH Centrum Wealth Managers Limited
(Formerly Centrum Wealth Managers Limited)

Schedules to the Accounts

	March 31, 2011 Rs.	June 30, 2010 Rs.
Schedule 9 : Current Liabilities		
Sundry Creditors		
(a) total outstanding dues of Micro and Small Enterprises (Refer to Note 8 of Schedule 15)		
(b) total outstanding dues of creditors other than Micro and Small Enterprises		
For Capital Expenditure	117,481	3,032,417
For Expenses	4,480,345	7,506,025
Payable to FCH CentrumDirect Limited (Formerly CentrumDirect Limited)	9,101,161	3,602,694
Payable to Club7 Holidays Private Limited	-	16,439
Payable to Centrum Capital Limited	37,189,564	17,538,050
Payable to Future Capital Holdings Limited	10,000,000	
Other Liabilities	49,794,195	1,978,942
	110,682,766	33,674,567
Schedule 10 : Provisions		
for Gratuity	63,366	
for Leave Encashment	1,440,703	842,054
	1,504,069	842,054



Schedule 15 : Notes to Accounts

1. Nature of Operations

FCH Centrum Wealth Managers Limited ('CWML' or 'the Company') (formerly Centrum Wealth Managers Limited) is in the business of retail broking and distribution of mutual fund, Insurance and other financial products and intends to become a one stop solution for all retail customers.

2. Statement of Significant Accounting Policies

a) Basis of preparation

The financial statements have been prepared to comply in all material respects in respects with the Notified accounting standard by Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956. 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.

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

c) Fixed Assets

Fixed assets are stated at their original cost of acquisition/installation, net of depreciation, amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Advances paid towards the acquisition of fixed assets outstanding at balance sheet date and the cost of fixed assets not ready to use before such date are disclosed under capital work in progress.

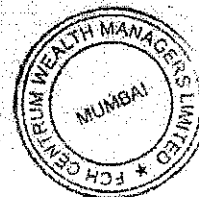
d) Intangible Assets

Computer Software

The Company capitalises software and related implementation cost where it is reasonably estimated that the software has an enduring useful life. Softwares including operating system licenses are amortised over its estimated useful life of 6 to 9 years.

e) Depreciation

Depreciation on fixed assets is provided on Straight Line Method (SLM) at the rates prescribed under schedule XIV of the Companies Act, 1956, except for Leasehold Improvements. Leasehold improvements are amortised over the shorter of the primary period of the underlying lease of the office premises or their useful lives. Individual assets costing Rs. 5,000 or less are fully depreciated in the year of purchase.



Schedule 15 : Notes to Accounts

j) Foreign currency translation

Foreign currency transactions

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 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.

k) Retirement and other employee benefits

- i. Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the Provident Fund.
- ii. Gratuity liability is a defined benefit obligation and is provided for on the bases of an actuarial valuation on Projected Unit Credit Method made at the end of the financial year/period. The company makes contribution to a scheme administered by the Life Insurance Corporation of India ("LIC") and Future Generali India Life Insurance Company Limited to discharge the gratuity liability to employees. The Company records its gratuity liability based on an actuarial valuation made by an independent actuary as at period end. Contribution made to the gratuity fund and provision made for the funded amounts are expensed in the books of accounts.
- iii. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per Projected Unit Credit Method.
- iv. All actuarial gains/losses are immediately taken to profit and loss account and are not deferred.



FCH Centrum Wealth Managers Limited
(Formerly Centrum Wealth Managers Limited)

Schedule 15 : Notes to Accounts

o) Cash and Cash equivalents

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

3. Segment Information

The Company has two reportable business segment viz "Retail Stock Broking" and "Distribution of Investment Products" as primary segment and it operates in a single geographical segment within India.

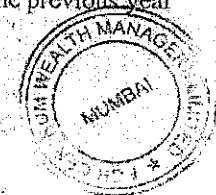
Income for each segment has been specifically identified. Expenditure, assets and liabilities are either specifically identifiable with individual segment or have been allocated to segment on systematic basis.

Based on such allocations, segmental balance sheet as at 31st March 2011 and segmental profit and loss account for the period from 1st July 2010 to 31st March 2011 have been prepared.

Amount in Rs.

Particulars	Retail Broking	Distribution of Investment Products	Un allocated	Total
Segment Revenue				
Income from external customers.	36,073,985	18,026,899	1,462,417	55,563,301
Total	36,075,895	18,027,875	1,459,531	55,563,301
Segment Result	(95,291,623)	(45,453,756)	(134,530)	(140,879,909)
Income tax & fringe benefit tax				
Net Profit/(Loss) After Tax				(140,879,909)
Other Information				
Carrying amount of segment assets.	167,246,784	18,499,056	35,202,685	220,948,525
Carrying amount of segment liabilities.	49,502,117	1,317,485	66,067,233	116,886,835
Capital Expenditure	18,604,511	9,503,214	-	28,107,725
Depreciation/Amortisation	7,142,764	3,648,536	-	10,791,299
Other Non Cash Expenses	28,463,925	13,309,556	-	41,773,481

Note: Previous year figures are not provided as there was no reportable segment in the previous year



FCH Centrum Wealth Managers Limited
(Formerly Centrum Wealth Managers Limited)

Schedule 15 : Notes to Accounts

b) Transactions with Related Party:

Nature of Transactions	Holding / Joint Venture *		Associates		Key Managerial Personnel		Amount in (Rs.)	
	Total		Total		Total		Total	
	For the period from 1st July 10 to 31st March 11	For the year ended 30th June 10	For the period from 1st July 10 to 31st March 11	For the year ended 30th June 10	For the period from 1st July 10 to 31st March 11	For the year ended 30th June 10	For the period from 1st July 10 to 31st March 11	For the year ended 30th June 10
1 Issue of Preference Share Capital - Future Capital Holdings Limited - FCH CentrumDirect Limited	100,000,000			50,000,000			100,000,000	50,000,000
2 Directors Sitting Fees - Future Capital Holdings Limited	40,000	70,000					40,000	70,000
3 Loans and advances given - Centrum Broking Private Limited - FCH CentrumDirect Limited			55,000,000	49,165,515	65,000,000		55,000,000	49,165,515
4 Repayment of Loans and advances given - Centrum Capital Limited - FCH CentrumDirect Limited - Centrum Broking Private Limited		8,000,000			65,000,000		53,700,000	70,036,280
5 Loans and advances taken - Centrum Capital Limited - Future Capital Holdings Limited - FCH CentrumDirect Limited	126,100,000 10,000,000	8,500,000	46,000,000	40,100,000			126,100,000 10,000,000	8,500,000
6 Repayment of Loans and advances taken - Centrum Capital Limited - FCH CentrumDirect Limited	122,400,000	7,500,000	86,100,000				122,400,000	7,500,000
7 Referral Fees Received - Centrum Broking Private Limited			2,700,000	24,300,000			2,700,000	24,300,000
8 Purchase of Air Tickets - Club7 Holidays Limited			595,757	1,835,700			595,757	1,835,700
9 Reimbursement of Expenses - Paid - Centrum Capital Limited - FCH CentrumDirect Limited	4,465,375	41,060,942	2,120,868	3,420,914			4,465,375	41,060,942
10 Remuneration - Sriram Venkatasubramanian - K Raaghavath Karnath					2,910,006 1,076,447	3,890,008 2,863,068	2,910,006 1,076,447	3,890,008 2,863,068
11 Rent Paid - Businessmatch Services Private Limited			675,000	900,000			675,000	900,000
12 Interest Expense - Centrum Capital Limited - FCH CentrumDirect Limited	6,734,978	642,650	1,617,159	1,250,443			6,734,978	642,650
13 Interest Income - Centrum Broking Private Limited - Centrum Capital Limited - FCH CentrumDirect Limited		204,794	1,300,791	5,595,791			1,200,791	5,595,791
14 Commission and Brokerage received - Centrum Capital Limited - FCH CentrumDirect Limited - Centrum Broking Private Limited	2,660,536	4,831,212	7,624,782	26,451,847	239,837		2,660,536	4,831,212
15 Reimbursement of Expenses - Received - Centrum Financial Services Limited - FCH CentrumDirect Limited			61,435	118,488			61,435	118,488
16 Reimbursement of Goodwill Expense - Received - Centrum Broking Private Limited			353,970				353,970	
16 Purchase of Foreign exchange - FCH CentrumDirect Limited				85,711				85,711
17 Reimbursement of Rent Expense - Received - FCH CentrumDirect Limited			398,655	560,441			398,655	560,441
18 Business Transfer - Assets acquired - Centrum Broking Private Limited			25,000,000					25,000,000
19 Business Transfer - Client recovery - Centrum Broking Private Limited			12,213,163					12,213,163
20 Deposit for leasehold premise - Centrum Broking Private Limited			9,289,350					9,289,350
Closing Balances: Loans and advances - Centrum Broking Private Limited			14,849,874	1,854,361			14,849,874	1,854,361
Payables - FCH CentrumDirect Limited - Club7 Holidays Limited - Centrum Capital Limited	41,889,564	18,538,050	9,101,181	43,702,694	16,439		41,889,564	18,538,050
Equity Share Capital - Future Capital Holdings Limited - Centrum Capital Limited	28,056,000	14,028,000					28,056,000	14,028,000
Preference Share Capital - Future Capital Holdings Limited - FCH CentrumDirect Limited	250,000,000			100,000,000			250,000,000	100,000,000

* Joint Venture between Centrum Capital Limited and Future Capital Holdings Limited (till 29th March 2011, thereafter wholly owned subsidiary of Future Capital Holdings Limited)



FCH Centrum Wealth Managers Limited
(Formerly Centrum Wealth Managers Limited)

Schedule 15 : Notes to Accounts

7. Gratuity and other post-employment benefit plans

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on leaving the services of the Company at 15 days salary (last drawn basic salary) for each completed year of service. The scheme is funded with two insurance companies in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the profit and loss account and the funded status and amounts recognised in the balance sheet for gratuity plan.

Profit and Loss account

Net employee benefit expense (recognized in Employee Cost)

	For the period ended March 31, 2011 (Rs.)	For the year ended June 30, 2010 (Rs.)
Expenses Recognised in the Income Statement		
Current Service Cost	448,142	543,288
Interest Cost	69,055	89,968
Expected Return on Plan Assets	(98,263)	(88,308)
Recognition of Transition Liability	Nil	Nil
Actuarial (Gain) or Loss	934,836	(688,509)
Expense Recognised in Profit and Loss Account	1,353,768	(143,561)

Balance Sheet

Details of Provision for gratuity

	March 31, 2011 (Rs.)	June 30, 2010 (Rs.)
Amount Recognised in the Balance Sheet		
Liability at the end of the period / year	2,397,853	1,116,042
Fair Value of Plan Assets at the end of the period / year	2,334,487	1,637,756
Amount Recognised in the Balance Sheet	63,366	(521,714)

Changes in the present value of defined benefit obligation are as follows:

	March 31, 2011 (Rs.)	June 30, 2010 (Rs.)
Changes in Benefit Obligation		
Liability at the beginning of the Period	1,116,042	1,160,878
Interest Cost	69,055	89,968
Current Service Cost	448,142	543,288
Settlement	Nil	Nil
Liability Transfer In	353,970	Nil
Benefit Paid	(523,078)	Nil
Actuarial (gain)/loss on obligations	933,722	(678,092)
Liability at the end of the period / year	2,397,853	1,116,042



FCH Centrum Wealth Managers Limited
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Schedule 15 : Notes to Accounts

8. Dues to Micro, Small and Medium Enterprises as per the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

The Company has sent letters to additional vendors for identification of 'suppliers' registered under the MSMED Act, 2006, for obtaining confirmations from these vendors. The Company has not received intimation from all the 'suppliers' regarding their status under MSMED Act, 2006 and hence disclosures if any, relating to amounts unpaid as at the period end together with interest paid/payable as required have not been furnished.

9. Earnings per share (EPS)

In terms of Accounting Standard 20 'Earnings per Share (EPS)' notified by the Companies (Accounting Standards) Rules, 2006, the EPS has been calculated as under:

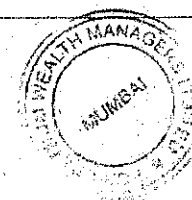
No.	Particulars	For the period ended March 31, 2011 (Rs.)	For the year ended June 30, 2010 (Rs.)
(a)	Net Loss as per Profit & Loss Account	(140,879,909)	(87,595,911)
(b)	Dividend on 12% Cumulative, Non Convertible and Redeemable Preference Shares	(10,500,000)	(12,000,000)
(c)	Net Loss for the period / year attributable to equity shareholders	(151,379,910)	(99,595,911)
(d)	Weighted Average number of equity shares used as denominator for calculating EPS	2,805,600	2,805,600
(e)	Earnings per share of Rs.10 each (Basic & Diluted)	(53.96)	(35.50)

10. Deferred Tax Assets / Liabilities

In accordance with the Accounting Standard 22 on Accounting for Taxes on Income, the Company has made adjustments in its accounts for deferred tax liabilities / assets.

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities are:

Particulars	March 31, 2011 (Rs.)	June 30, 2010 (Rs.)
Deferred Tax Assets		
On Provision for gratuity, leave encashment and expenses allowed on payment basis	464,757	247,677
On carry forward business losses *	7,445,042	5,881,534
On Preliminary Expenses	NIL	34,479
On Provision for doubtful debts	529,338	NIL
On Provision for Advances	115,813	NIL
Sub Total	8,554,949	6,163,690
Deferred Tax Liability		
on Depreciation	8,535,248	6,163,690
On Preliminary Expenses	19,702	NIL
Sub Total	8,554,949	6,163,690
Net Deferred Tax Asset	-	-



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Schedule 15 : Notes to Accounts

12. During the year ended June 30, 2011, the Company has incurred losses of Rs. 140,879,909 which has resulted in reduction in net worth of the Company. The Holding Company viz. Future Capital Holding Limited has informed the Company of its intention of providing operational and financial support to the Company to meet its obligations as they fall due and accordingly, the financial statements have been prepared on a going concern basis.
13. During the current period the Company has acquired Retail Broking Business of Centrum Broking Private Limited for a total consideration of Rs. 25,000,000/- on a going concern basis including Depository Participants Services and other assets which includes Computers, leasehold improvements, furniture and debtors.
14. The Company was a joint venture between Future Capital Holdings Limited and Centrum Capital Limited till 28th March 2011. The Future Capital Holding Limited has acquired 50% stake from Centrum Capital Limited by entering in to Share Purchase Agreement dated 29th March 2011 subject to approval from regulatory authorities.
15. At the balance sheet date, the Company has reviewed the carrying amount and impaired the following fixed assets :

Particulars	Gross block	Carrying amount	Impairment loss
Leasehold improvements	12,784,780	11,582,092	11,582,092
Furniture and fixtures	2,089,991	2,011,701	2,011,701
Goodwill	14,000,000	13,650,000	13,650,000
Computer - Software	11,994,488	10,375,120	10,375,120
Capital Work in Progress	-	-	2,469,811
Total	40,869,259	37,618,913	40,088,724

The leasehold improvements and furniture & fixtures and Computer - Software were tested for impairment as at balance sheet date and accordingly provided for impairment loss.

The goodwill relates to acquisition of distribution business of FCH CentrumDirect Limited in financial year 2008-09. The carrying amount of goodwill was tested for impairment and based on such impairment test the entire carrying amount of goodwill is provided for impairment.

The Capital Work in Progress under implementation were stand still for long time and Company's efforts in finding alternative for implementation of the projects did not yield desired results, the same is provided for impairment losses.

16. The Company changed its financials year end from 30th June to 31st March annually with effect from current financial period ended 31st March 2011.

The financial statements for the current financial period are made up from 1st July 2010 to 31st March 2011.

