

Limited Review Report

**Review Report to
The Board of Directors
Future Capital Holdings Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Future Capital Holdings Group comprising Future Capital Holdings Limited ('the Company') and its subsidiaries (together, 'the Group'), for the quarter ended September 30, 2012 (the "Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. The financial results of Anchor Investment and Trading Private Limited (Anchor), whose financial results reflect total assets of Rs. 21.06 lakhs, total revenue of Rs. 341.98 lakhs, expenses of Rs. 9.25 lakhs and profit after tax of Rs. 312.80 lakhs have not been reviewed for the quarter ended September 30, 2012.
4. Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 Interim Financial Reporting notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Shrawan Jalan
per Shrawan Jalan
Partner
Membership No.: 102102
Place: Mumbai
Date: November 05, 2012



PART I

STATEMENT OF CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2012

PARTICULARS		QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		30.09.2012 (Unaudited)	30.06.2012 (Unaudited)	30.09.2011 (Unaudited)	30.09.2012 (Unaudited)	30.09.2011 (Unaudited)	31.03.2012 (Audited)
1	Income from operations						
a.	Income from operations (Refer note f and g)	19,050.38	20,698.44	16,981.09	39,748.82	33,280.89	74,014.62
b.	Other operating income	-	-	-	-	-	-
	Total Income from Operations (net)	19,050.38	20,698.44	16,981.09	39,748.82	33,280.89	74,014.62
2	Expenses						
a.	Employee benefits expenses	3,792.28	3,212.24	2,100.10	7,004.52	3,730.22	8,684.15
b.	Depreciation and amortisation expense	177.41	174.97	133.54	352.38	306.17	548.62
c.	Provision and write offs (Refer note e)	165.26	(31.39)	361.81	133.87	2,068.32	2,252.80
d.	Loan origination costs	394.10	596.07	464.59	990.17	833.52	1,797.36
e.	Other expenses	2,500.48	1,917.92	1,297.14	4,418.40	2,413.64	6,162.40
	Total Expenses	7,029.53	5,869.81	4,357.18	12,899.34	9,351.87	19,445.33
3	Profit from Operations before Other Income, Finance Cost & Exceptional items (1-2)	12,020.85	14,828.63	12,623.91	26,849.48	23,929.02	54,569.29
4	Other Income	39.51	37.29	246.04	76.80	258.71	359.83
5	Profit from Ordinary activities before Finance costs & Exceptional Items (3+4)	12,060.36	14,865.92	12,869.95	26,926.28	24,187.73	54,929.12
6	Finance Costs (Refer note f)	12,219.24	11,465.84	8,758.81	23,685.08	16,592.73	39,769.75
7	Profit from Ordinary activities after Finance costs but before Exceptional Items (5-6)	(158.88)	3,400.08	4,111.14	3,241.20	7,595.00	15,159.37
8	Exceptional Items (Refer note h)	2,236.00	-	-	2,236.00	-	-
9	Profit from Ordinary activities before tax (7+8)	2,077.12	3,400.08	4,111.14	5,477.20	7,595.00	15,159.37
10	Tax expense	256.89	799.17	1,273.77	1,056.06	2,571.53	4,576.30
11	Profit from Ordinary activities after tax (9-10)	1,820.23	2,600.91	2,837.37	4,421.14	5,023.47	10,583.07
12	Extraordinary Item (net of tax expense)	-	-	-	-	-	-
13	Net Profit for the period (11-12)	1,820.23	2,600.91	2,837.37	4,421.14	5,023.47	10,583.07
14	Share of minority interest	-	-	-	-	-	-
15	Net Profit after minority interests (13-14)	1,820.23	2,600.91	2,837.37	4,421.14	5,023.47	10,583.07
	Paid up Equity Share Capital	6,788.49	6,479.85	6,479.85	6,788.49	6,479.85	6,479.85
	[Face Value-Rs.10 per share]	-	-	-	-	-	-
	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	76,707.34
	-Basic and diluted EPS (before Extraordinary items) (of Rs.10/- each) (Not Annualised)	-	-	-	-	-	-
	-Basic EPS (Rs.)	2.80	4.01	4.38	6.82	7.75	16.33
	-Diluted EPS (Rs.)	2.80	4.01	4.37	6.81	7.74	16.33
	-Basic and diluted EPS (after Extraordinary items) (of Rs.10/- each) (Not Annualised)	-	-	-	-	-	-
	-Basic EPS (Rs.)	2.80	4.01	4.38	6.82	7.75	16.33
	-Diluted EPS (Rs.)	2.80	4.01	4.37	6.81	7.74	16.33

PART II

A PARTICULARS OF SHAREHOLDING

1	Public shareholding						
	-Number of shares	38,879,090	30,018,485	25,244,690	38,879,090	25,244,690	28,318,485
	-Percentage of shareholding	57.27%	46.33%	38.96%	57.27%	38.96%	43.70%
2	Promoters and Promoter Group shareholding						
a	Pledged/ Encumbered						
	-Number of shares	-	-	4,773,795	-	4,773,795	-
	-Percentage of shares (as a percentage to total Promoters and Promoter Group shareholding)	-	-	12.07%	-	12.07%	-
	-Percentage of shares (as a percentage to total Share Capital of the Company)	-	-	7.37%	-	7.37%	-
b	Non-encumbered						
	-Number of shares	29,005,814	34,779,999	34,779,999	29,005,814	34,779,999	36,479,999
	-Percentage of shares (as a percentage to total Promoters and Promoter Group shareholding)	100.00%	100.00%	87.93%	100.00%	87.93%	100.00%
	-Percentage of shares (as a percentage to total Share Capital of the Company)	42.73%	53.67%	53.67%	42.73%	53.67%	56.30%

B

INVESTOR COMPLAINTS

Pending at the beginning of the quarter	4
Received during the quarter	17
Disposed off during the quarter	19
Remaining unresolved at the end of the quarter	02*

* The pending complaints are in the nature of the Consumer Court cases and Civil Court cases which are "Subjudice" and hence they are treated as pending.

**SIGNED FOR IDENTIFICATION
BY**

**S. R. BATLIBOI & CO.
MUMBAI**



FUTURE CAPITAL HOLDINGS LIMITED
 Regd. Office : 15th Floor, Tower 2, IndiaBulls Finance Centre, Senapati Bapat Marg,
 Elphinstone (W), Mumbai - 400 013

(Rs. in Lakhs)

Standalone financial summary	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
	30.09.2012 (Unaudited)	30.06.2012 (Unaudited)	30.09.2011 (Unaudited)	30.09.2012 (Unaudited)	30.09.2011 (Unaudited)	31.03.2012 (Audited)
Revenues (including other income)	18,494.42	20,389.25	16,395.38	38,883.67	31,310.60	70,276.24
Exceptional item	2,136.00	-	-	2,136.00	-	-
Profit before tax	1,862.13	3,461.50	3,868.19	5,323.63	6,966.43	13,511.20
Profit after tax	1,619.81	2,707.86	2,753.47	4,327.67	4,599.18	9,219.27

Statement of assets and liabilities (Consolidated)

(Rs. in Lakhs)

	As at 30.09.2012 (Unaudited)	As at 31.03.2012 (Audited)
EQUITY AND LIABILITIES		
1. Shareholders' Funds		
(a) Share Capital	7,067.13	6,449.85
(b) Reserves and Surplus	90,875.62	76,707.34
Sub-Total shareholders' funds	97,942.75	83,157.19
2. Non - current liabilities		
(a) Long term borrowings	287,734.51	272,033.61
(b) Other long term liabilities	2,015.01	1,336.85
(c) Long term provisions	9,645.65	9,409.98
Sub-Total non-current liabilities	299,395.17	282,780.44
3. Current Liabilities		
(a) Short term borrowings	132,489.08	115,223.51
(b) Trade payables	5,061.02	4,210.93
(c) Other current liabilities	70,624.46	79,487.29
(d) Short term provisions	2,528.65	3,650.94
Sub-Total current liabilities	210,703.21	202,572.67
TOTAL-EQUITY & LIABILITIES	608,041.13	568,510.30
ASSETS		
1. Non-current Assets		
(a) Fixed Assets	4,130.80	3,994.80
(b) Non - current investments	11,756.47	27,546.54
(c) Deferred tax assets (Net)	1,047.03	691.93
(d) Long term loans and advances	310,655.87	267,525.31
(e) Other non current assets	25,316.79	22,313.20
Sub-Total non-current assets	352,906.96	322,071.78
2. Current Assets		
(a) Current Investments	12,520.01	5,765.30
(b) Trade receivables	3,226.35	5,638.70
(c) Cash and cash equivalents	96,107.81	50,919.67
(d) Short term loans and advances	113,031.80	177,131.03
(e) Other current assets	30,248.20	6,983.82
Sub-Total current assets	255,134.17	246,438.52
TOTAL ASSETS	608,041.13	568,510.30

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MUMBAI**



Notes

- a. The consolidated financial statements relate to Future Capital Holdings Limited (the "Company") and its subsidiaries. The consolidated financial statements are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated accounts as set out in Accounting Standards (AS 21) notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended). The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.
- b. The above financial results for the quarter ended have been reviewed by the Audit Committee and approved by the Board of Directors (the "Board") at their respective meetings held on November 5, 2012.
- c. The above results for the quarter ended September 30, 2012, have been subjected to Limited Review by the Statutory Auditors of the Company as required under Clause 41 of the Listing Agreement.
- d. During the quarter under review, the Board of Directors at its Meeting held on September 28, 2012 allotted 3,086,420, 0.01% Compulsorily Convertible Preference Shares each convertible into equal number of equity shares of the Company of Rs.10/- each, at the premium of Rs.152/- each and 3,086,420 Equity Shares of Rs.10/- each, at the premium of Rs.152/- each to Cloverdell Investment Limited on preferential basis. The said funds aggregating to Rs. 1,000,000,080 received pursuant to the aforesaid allotment have been unutilised as on September 30, 2012. The Company has utilised the same for the object of the issue on October 1, 2012.
- e. During the quarter ended June 30, 2012, the Company had changed its accounting policy related to provisioning for non-performing gold loans and consumer durable loans. Consequent to the change in accounting policy, provision & write off for the current quarter is lower by Rs. 422.54 lakhs in respect of gold loans and higher by Rs. 46.36 lakhs in respect of consumer durable loans. As a result net provisions and write off is lower by Rs. 376.18 lakhs. The current provision based on the revised accounting policy meets the minimum provisioning norms as stipulated by RBI.
- f. During the quarter ended September 30, 2012, the Company has changed its accounting policy related to fee income on wholesale loans and ancillary borrowing cost. As per the new policy the Company will amortise the fee income on wholesale loans over the tenure of loan and ancillary borrowing cost over the tenure of borrowings. Consequent to the change in accounting policy, the profits for the quarter is lower by Rs.253.69 lakhs.
- g. Pursuant to the RBI Circular No. DNBS. PD. No. 301/3.10.01/2012-13 dated August 21, 2012, the Company has changed its accounting policy related to income from Assignment of loans and receivables. As per the new policy, the income from assignment of loans and receivables will be amortised over the tenure of loans. Consequent to the change in accounting policy, the profits for the quarter is lower by Rs. 1,510.95 lakhs.
- h. During the quarter ended September 30, 2012, the Company has sold its stake in Myra Mall Management Company Limited vide Share Purchase Agreement dated July 09, 2012 for a consideration of Rs. 2,236.00 lakhs. The profit on sale of shares has been reported as exceptional items.
- i. The Company has started recognising deferred tax asset on provision for standard assets and unamortised fees and deferred tax liability on loan origination cost from the previous quarter. An amount of Rs. 66.01 lakhs (net credit) in the current quarter is towards the same.
- j. On August 3, 2012, the Company had assigned, on non recourse basis, its exposure of Rs. 17,470.00 lakhs (including interest accrued till the date of assignment) in Deccan Chronicle Holdings Limited and Aviotech Private Limited to PIL Industries Limited and Future Corporate Resources Limited respectively at book values.
- k. At the consolidated level, the main business of the Company is financing. As such, there are no separate reportable segments as per the Accounting Standard (AS) 17, Segmental Reporting notified by the Companies (Accounting Standards) Rules, 2006.
- l. Figures for previous quarter/ six months/ year have been regrouped/ rearranged wherever necessary, to conform to current quarter classification.
- m. The Standalone Financial Results are available on the Company's website viz. www.futurecapital.in and on the websites of the BSE Limited (www.bseindia.com) and the National Stock Exchange of India Limited (www.nseindia.com).

Place : Mumbai
Date : November 5, 2012



For Future Capital Holdings Limited

V. Vaidyanathan
V. Vaidyanathan
Chairman & Managing Director

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