



ANNUAL REPORT

OF

INDIA INFOLINE

ASSET MANAGEMENT COMPANY LIMITED

FY 2012-2013

Independent Auditor's Report

To the Members of India Infoline Asset Management Company Limited

Report on the Financial Statements

We have audited the accompanying financial statements of India Infoline Asset Management Company Limited ("the Company") which comprise the balance sheet as at 31 March 2013, the statement of profit and loss and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

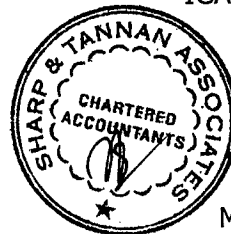
In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

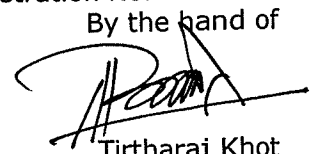
- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2013;
- (ii) in the case of the statement of profit and loss, of the loss for the year ended on that date; and
- (iii) in the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. 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;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; and
 - e. on the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Sharp & Tannan Associates
Chartered Accountants
ICAI Registration No.109983W
By the hand of




Tirtharaj Khot

Partner

Membership No: (F) 037457

Place: Mumbai
Date: 30th April, 2013

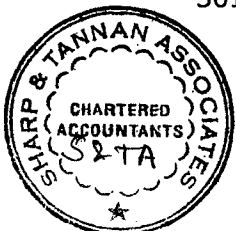
Annexure to the Auditors' Report

The Annexure referred to in our report to the members of India Infoline Asset Management Company Limited ("the Company") for the year ended 31 March 2013. We report that:

1. (a) The Company has maintained adequate records to show full particulars, including quantitative details and situation of the fixed assets.

(b) The Company has formulated a programme of physical verification of its fixed assets in a phased manner. In accordance with this program, a physical verification of certain fixed assets has been carried out by management during the year and there are no material discrepancies observed between assets physically verified and book balances. In our opinion, the periodicity of verification is reasonable having regard to the size of the Company and the nature of its assets.

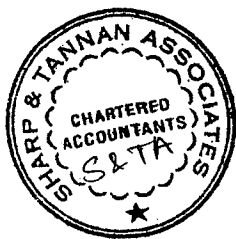
(c) The Company has not disposed-off any substantial part of its fixed assets so as to affect its going concern status.
2. The Company is not carrying on any manufacturing or trading activity. Therefore, the provisions of sub clause (a), (b) and (c) of clause (ii) of paragraph 4 of the Order are not applicable to the Company.
3. The Company has neither granted nor taken any loans from the companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. As the Company has not granted or taken any loans, the provisions of sub clause (a), (b), (c), (d), (e), (f) and (g) of clause (iii) of paragraph 4 of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and nature of its business, for the purchase of fixed assets and sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control systems.
5. (a) In our opinion and according to the information and explanations given to us the particulars of contracts or arrangements that need to be entered into a Register in pursuance of Section 301 of the Companies Act, 1956 and those brought to our notice, have been so entered.



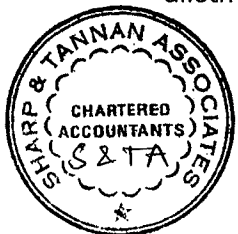
(b) In our opinion and according to the information and explanations given to us, the transactions in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year, have been made at prices which are not comparable since the prevailing market prices of such services, in view of the management, are not readily available.

6. The Company has not accepted any deposits from the public of the nature which attracts the provisions of Section 58A, 58AA or any other relevant provisions of the Act and the rules made there under. Therefore, the provision of clause (vi) of paragraph 4 of the Order is not applicable to the Company.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
8. As per the information and explanations given to us, in respect of the class of industry the Company falls under, the maintenance of cost records has not been prescribed by the Central Government under section 209 (1) (d) of the Companies act, 1956. Therefore, the provision of clause (viii) of paragraph 4 of the Order is not applicable to the Company.
9. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Cess and other material statutory dues as and wherever applicable to the Company, with the appropriate authorities. Based on the information furnished to us, there are no undisputed statutory dues as on 31st March 2013, which are outstanding for a period exceeding six months from the date they became payable.

(b) As per information and explanations given to us, and as per the records of the Company examined by us, there are no cases of non-deposit with appropriate authorities of disputed dues of Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise and cess.



10. The Company has been registered for a period of less than 5 years. Therefore, the provision of clause (x) of paragraph 4 of the Order is not applicable to the Company.
11. As the Company has not borrowed from financial institution or bank or debenture holders during the year therefore, the provision of clause (xi) of paragraph 4 of the order is not applicable to the Company.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, the Company, in our opinion, need not maintain relevant documents and record.
13. The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of sub clause (a), (b), (c) and (d) of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
14. The Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provision of clause (xiv) of paragraph 4 of the order is not applicable to the Company.
15. The Company has not granted any guarantee for loans taken by others from bank or financial institution. Therefore, the provision of clause (xv) of paragraph 4 of the order is not applicable to the Company.
16. The Company has not availed any term loan during the period. Therefore, the provision of clause (xvi) of paragraph 4 of the Order is not applicable to the Company.
17. According to the information and explanation given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term investment.
18. The Company has made allotment of shares to the Company covered in the Register maintained under section 301 of the Companies Act, 1956. Since, the said allotment is made to the 100 % Holding Company in our opinion and according to the explanations given to us; such further allotment is not considered as preferential in nature.



19. The Company has not issued any debentures during the period covered under audit. Therefore, the provision of clause (xix) of paragraph 4 of the Order is not applicable to the Company.
20. The Company has not raised any money through a public issue during the period covered audit. Therefore, the provision of clause (xx) of paragraph 4 of the Order is not applicable to the Company.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year nor have we been informed of such case by management.

Place: Mumbai
Date: 30th April, 2013



For Sharp & Tannan Associates
Chartered Accountants
ICAI Registration No.109983W
By the hand of

A handwritten signature in black ink, appearing to read "Tirtharaj Khot".

Tirtharaj Khot
Partner

Membership No: (F) 037457

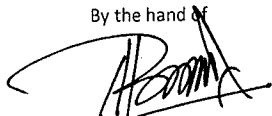
INDIA INFOLINE ASSET MANAGEMENT COMPANY LIMITED
BALANCE SHEET AS AT MARCH 31, 2013

Particulars	Note No	As at March 31,2013	As at March 31,2012
EQUITY AND LIABILITIES			
(1) Shareholder's funds			
(a) Share Capital	3	17,50,00,000	15,00,00,000
(b) Reserves and Surplus	4	(5,74,73,078)	(3,32,42,665)
(c) Money received against share warrants			-
Sub total		11,75,26,922	11,67,57,335
(2) Share application money pending allotment			
		-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long-term liabilities		-	-
(d) Long-term provisions	5	13,06,724	9,23,061
Sub total		13,06,724	9,23,061
(4) Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	6	-	14,610
(c) Other current liabilities	7	21,25,285	17,29,044
(d) Short-term provisions	5	77,88,168	14,79,677
Sub total		99,13,453	32,23,331
TOTAL		12,87,47,099	12,09,03,727
ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	28,12,525	42,89,904
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		11,92,010	-
(iv) Intangible assets under development		-	-
Sub total		40,04,535	42,89,904
(b) Non-current investments		-	-
(d) Long-term loans & advances	9	51,70,373	10,09,183
(e) Other non-current assets		-	-
Sub total		51,70,373	10,09,183
(2) Current assets			
(a) Current investments	10	8,50,00,000	-
(b) Inventories		-	-
(c) Trade receivables	11	8,04,446	4,46,089
(d) Cash and Bank Balance	12	2,94,05,569	11,45,93,710
(e) Short-term loans & advances	13	43,62,175	5,64,841
Sub total		11,95,72,190	11,56,04,640
TOTAL		12,87,47,099	12,09,03,727
See accompanying notes Forming a Part of Financial Statements	1 - 27	-	-

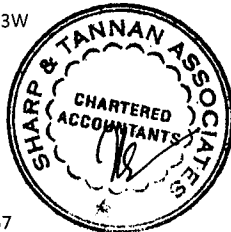
As per our attached report of even date

For Sharp & Tannan Associates

Chartered Accountants
ICAI Registration No.109983W
By the hand of

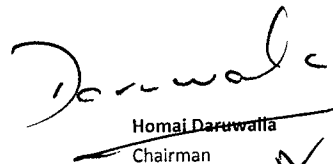


Tirtharaj Khot
Partner
Membership No. (F) 037457

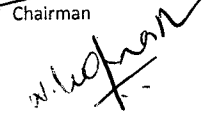



Place : Mumbai
Dated :- April 30, 2013


For and on behalf of the Board of Directors



Homai Daruwalla
Chairman


Gopinath Natarajan
Chief Executive Officer


R. Venkataraman
Director


Ashutosh Naik
Company Secretary

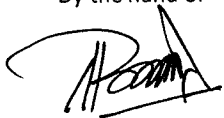
INDIA INFOLINE ASSET MANAGEMENT COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31 MARCH, 2013

Particulars	Note No	2012-13	2011-2012
I. Revenue from operations	14	41,89,235	4,13,820
II. Other Income	15	1,10,84,430	1,00,25,730
III. Total Revenue (I+II)		1,52,73,665	1,04,39,550
IV. Expenses :			
Employee benefit expenses	16	1,88,66,036	98,86,322
Finance cost	17	1,39,354	2,22,763
Depreciation and other amortisation expenses	8	15,53,062	15,48,225
Other expenses	18	1,89,45,625	1,65,34,753
Total expenses		3,95,04,077	2,81,92,063
V. Profit before tax (III-IV)		(2,42,30,413)	(1,77,52,513)
VI. Tax expenses :			
Current tax		-	-
Deferred tax expenses		-	51,45,441
Short / (excess) provision for income tax		-	-
Sub total		-	51,45,441
Profit (loss) for the period (V-VI)		(2,42,30,413)	(2,28,97,954)
VII. Earnings per equity share {Nominal Value of Share Rs 10 Each (PY : Rs 10 Each)}	19		
(1) Basic		(1.51)	(1.80)
(2) Diluted		(1.51)	(1.80)
See accompanying notes Forming a Part of Financial Statements	1 - 27		

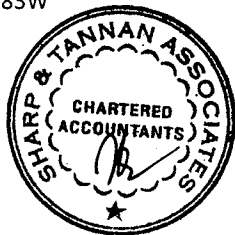
As per our attached report of even date

For Sharp & Tannan Associates

Chartered Accountants
 ICAI Registration No.109983W
 By the hand of

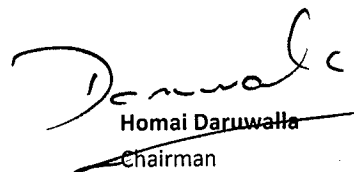


Tirtharaj Khot
 Partner
 Membership No. (F) 037457



Place : Mumbai
 Dated :- April 30, 2013

For and on behalf of the Board of Directors



Homai Daruwalla
 Chairman



Gopinath Natarajan
 Chief Executive Officer

R. Venkataraman
R. Venkataraman
 Director



Ashutosh Naik
 Company Secretary

INDIA INFOLINE ASSET MANAGEMENT COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

Particulars	March 31,2013	March 31,2012
A. Cash flows from operating activities		
Net profit before taxation and extraordinary item	(2,42,30,413)	(1,77,52,513)
Adjustments for:		
Depreciation	15,53,062	15,48,225
Provision of Gratuity	3,19,762	1,54,854
Provision of Leave Encashment	1,93,746	2,26,468
Operating profit before working capital changes	(2,21,63,843)	(1,58,22,966)
Changes in working Capital :		
Trade receivables	(3,58,357)	(4,46,089)
Short term Loan & advances	(37,97,334)	(4,90,431)
Long term Loan & advances	(41,61,190)	(8,06,170)
Trade Payable	(14,610)	14,610
Other current liabilities	3,96,241	16,14,923
Short term Provisions	57,94,982	10,98,355
Long term Provisions	3,83,663	9,23,061
Cash generated from operations	(2,39,20,448)	(1,39,14,707)
Cash flow before extraordinary item	(2,39,20,448)	(1,39,14,707)
Net income tax(paid) / refunds	-	-
Net cash from operating activities (A)	(2,39,20,448)	(1,39,14,707)
B. Cash flows from investing activities		
Sale / (Purchase) of fixed assets (includes intangible assets)	(12,67,693)	(25,690)
Purchases of current investment	(8,50,00,000)	
Net cash from investing activities (B)	(8,62,67,693)	(25,690)
C. Cash flows from financing activities		
Proceeds from issuance of share capital	2,50,00,000	2,50,00,000
Net cash used in financing activities (C)	2,50,00,000	2,50,00,000
Net increase in cash and cash equivalents (A+B+C)	(8,51,88,142)	1,10,59,603
Reconciliation of Cash & cash equivalents with the Balance Sheet:		
Cash and Cash Equivalents		
Opening Cash on hand and balances with banks	11,45,93,710	10,35,34,107
Closing Cash on hand and balances with banks	2,94,05,569	11,45,93,710
Net Increase/(Decrease) in Cash and Cash Equivalents	(8,51,88,142)	1,10,59,603

1.Cash flow statement has been prepared under the Indirect Method as set out in the Accounting Standard (AS)-3 : ' Cash Flow Statements' issued by the Institute of Chartered Accountants of India

As per our attached report of even date

For and on behalf of the Board of Directors

For Sharp & Tannan Associates

Chartered Accountants

ICAI Registration No.109983W

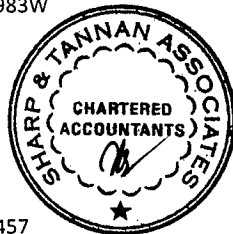
By the hand of



Tirtharaj Khot

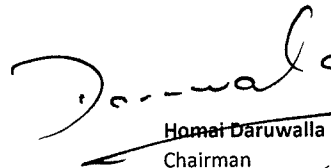
Partner

Membership No. (F) 037457



Place : Mumbai

Dated :- April 30, 2013



Homai Daruwalla
Chairman



Gopinath Natarajan
Chief Executive Officer



R. Venkataraman
Director



Ashutosh Naik
Company Secretary

India Infoline Asset Management Company Limited

Notes forming part of the Financial Statements for the year ended 31st March 2013

Note: 1. Corporate Information:

India Infoline Asset Management Company Limited ("the Company") was incorporated on March 22, 2010. The Company is a 100% subsidiary of India Infoline Limited. The Company is registered with Securities and Exchange Board of India (SEBI) under the SEBI (Mutual Funds) Regulations, 1996 and the principal activity is to act as an investment manager to 'IIFL Mutual Fund'.

Note: 2. Significant Accounting Policies:

a) Basis of preparation of financial statements:

The financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on an accrual basis in compliance with all material aspects of the applicable Accounting Standards in India and the relevant provisions of the Companies Act, 1956. The accounting policies have been consistently applied by the Company.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

b) Use of Estimates:

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

c) Fixed assets and Depreciation and Amortisation:

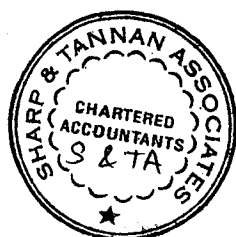
Fixed assets are stated at cost of acquisition less accumulated depreciation thereon. Depreciation is charged using the straight line method based on the useful life of fixed assets as estimated by the management as specified below, or the rates specified in accordance with the provisions of schedule XIV of the Companies Act, 1956, which-ever is higher. In the case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the asset.

Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold

Individual assets / group of similar assets costing less than ₹5,000/- has been depreciated in full in the year of purchase.

Estimated useful life of the assets is as under

Class of assets	No of Years
Furniture and fixtures	5
Computer equipment	3
Software	3
Office Equipment	5
Buildings	20



A handwritten signature in black ink, appearing to be 'Manoj' or similar, located in the bottom right corner of the page.

d) Investments

Investments are classified into Current and Non –current Investments. Current Investments are stated at lower of cost or fair value of each investment individually. Non –current Investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

e) Revenue Recognition:

Management fees from the schemes of the mutual fund are accounted on an accrual basis in accordance with the Investment Management Agreement and are dependent on the net asset value as recorded by the schemes of IIFL Mutual Fund.

Interest income is recorded on an accrual basis.

f) Scheme Related Expenses:

1. Fund Expenses:

Expenses of schemes of IIFL Mutual Fund in excess of the stipulated limits as per SEBI (Mutual Fund) Regulations, 1996 and expenses incurred directly on behalf of schemes of IIFL Mutual Fund are charged to the Statement of Profit and Loss Account.

2. New Fund Offer Expenses:

Open-ended fund: - Expenses relating to new open-ended fund offers of IIFL Mutual Fund are charged to the Statement of Profit and Loss in the year in which they are incurred.

Closed-ended fund: - Expenses relating to new Closed-ended fund offers of IIFL Mutual Fund are amortized over the period of scheme tenor.

g) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

h) Taxes on Income:

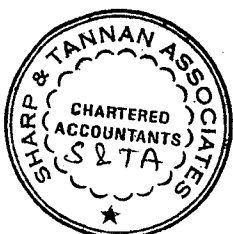
Current tax is determined as the amount payable in respect of taxable income for the period.

Deferred tax is recognised for all timing differences between accounting income & taxable income and is quantified using enacted / substantively enacted tax rates as at the Balance Sheet date. Deferred tax assets are recognised subject to the managements' judgment that the realization is virtually / reasonably certain.

i) Employee Benefits:

Long Term Employee benefits

Defined Benefit Plan: The Company has defined benefit plan for post employment benefits in the form of Gratuity. The Company accounts for Gratuity based on an actuarial valuation which is carried out by an independent actuary as at year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method. Actuarial gains and losses comprise



A handwritten signature in black ink, appearing to be 'M. J. ...'.

India Infoline Asset Management Company Limited

experience adjustment and the effects of changes in actuarial assumptions are recognised immediately in the Statement of Profit and Loss Account as income or expense.

j) Earnings per Share:

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 issued by Institute of Chartered Accountants of India (ICAI) on 'Earnings Per Share'. Basic earning per share is computed by dividing net profit or loss for the period by weighted average number of equity shares outstanding during the period. Diluted earning per share is computed by dividing the net profit or loss for the period by the weighted average number of shares outstanding during the period as adjusted for the effects of all diluted potential equity shares excepts where the results are anti-dilutive.

k) Preliminary Expenses

Preliminary Expenses are written off in same financial year in which they are incurred.



A handwritten signature in black ink, appearing to be "M. S. S. S.", located in the bottom right corner of the page.

India Infoline Asset Management Company Limited

Note: 3. (a) Share Capital

(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
SHARE CAPITAL		
Authorized :		
2,00,00,000 Equity Shares of ₹10/- each (P.Y. 1,50,00,000)	20,00,00,000	15,00,00,000
Issued, Subscribed and Paid Up:		
1,75,00,000 (P.Y. 1,50,00,000) Equity Shares of ₹10/- each fully paid-up	17,50,00,000	15,00,00,000

(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at 31.03.2013		As at 31.03.2012	
	Numbers	Amount	Numbers	Amount
Issued subscribed and Paid up at the beginning of the year	1,50,00,000	15,00,00,000	1,25,00,000	12,50,00,000
Add: Issued during the Year	25,00,000	2,50,00,000	25,00,000	2,50,00,000
Issued subscribed and Paid up at the End of the year	1,75,00,000	17,50,00,000	1,50,00,000	15,00,00,000

(c) Terms/rights attached to equity shares

The company has only one class of shares referred to as equity shares having a par value of Rs. 10/- each. Each holder of equity shares is entitled to one vote per share.

India Infoline Ltd., the holding company holds 100% of paid up share capital.

Note: 4. Reserve and Surplus

(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
Surplus/(deficit) in the Statement of Profit and Loss		
Opening Balance	(3,32,42,665)	(1,03,44,711)
Addition Profit/(Loss) during the Year	(2,42,30,413)	(2,28,97,954)
Closing Balance	(5,74,73,078)	(3,32,42,665)

Note: 5. Provisions:

(Amount in ₹)

Particulars	As at 31.03.2013		As at 31.03.2012	
	Long Term	Short Term	Long Term	Short Term
Provision for employee benefits:				
a) Provision for Gratuity	10,19,621	1,91,304	7,53,490	1,37,673
b) Provision For Leave Encashment	2,87,103	81,748	1,69,571	36,817
Provision for Expenses	--	75,15,115	--	13,05,187
Total	13,06,724	77,88,167	9,23,061	14,79,677

Note: 6. Trade Payables

(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
Trade Payables :		
- Outstanding dues of creditors other than micro & small enterprises	--	14,610
Total	--	14,610



M. N. S.

India Infoline Asset Management Company Limited

Note: 7. Other Current Liabilities

(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes,	3,53,444	2,33,412
(ii) Others : Salaries and others	17,71,841	14,95,632
Total	21,25,285	17,29,044

Note: 8. Tangible Assets

(Amount in ₹)

ASSETS	Gross Block			
	As at 31.03.2012	Additions	Deductions	As at 31.03.2013
Computer	6,97,528	9,089	--	7,06,617
Furniture & Fixture	62,62,500	66,594	--	63,29,094
Office Equipment	2,80,436	--	--	2,80,436
At 31 March 2013	72,40,464	75,683	--	73,16,147
At 31 March 2012	72,14,774	25,690	--	72,40,464

ASSETS	Depreciation/Amortization			Net Block		
	Upto 31.03.2012	Additions	Deductions	Upto 31.03.2013	As on 31.03.2013	As on 31.03.2012
Computer	4,33,897	2,36,676	--	6,70,573	36,044	2,63,631
Furniture & Fixture	24,00,625	12,57,495	--	36,58,120	26,70,974	38,61,875
Office Equipment	1,16,038	58,891	--	1,74,929	1,05,507	1,64,398
At 31 March 2013	29,50,560	15,53,062	--	45,03,622	28,12,525	42,89,904
At 31 March 2012	14,02,335	15,48,225	--	29,50,560	42,89,904	58,12,439

Note: Capital Work in Progress ₹ 11,92,010, Last Year NIL, Pertain to Assets not yet capitalized.

Note: 9. Long Term Loans and Advances

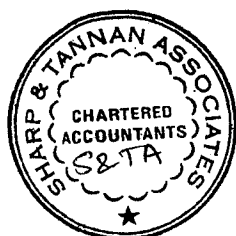
(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
a) Advance income tax (TDS Receivable)	17,31,598	10,09,183
b) Unamortized Brokerage & Commission	34,38,775	--
Total	51,70,373	10,09,183

Note: 10. Current Investment

(Amount in ₹)

Particulars	As at March 31, 2013		As at March 31, 2012	
	Units	Amount	Units	Amount
Investment in ICICI Prudential Mutual Fund ICICI Prudential Liquid – Regular Plan – Growth (NAV – Rs. 173.4507)	4,90,538.380	8,50,00,000	--	--
Total	4,90,538.380	8,50,00,000	--	--



[Handwritten Signature]

India Infoline Asset Management Company Limited

Note: 11. Trade Receivable

(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
Trade receivables outstanding for a period exceeding six months from the date they were due for payment.		
Unsecured, considered good	8,04,446	4,46,089
Total	8,04,446	4,46,089

Note 12: Cash and Bank Balance:

(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
Cash in hand	--	--
Balances with banks :		
In current accounts	2,94,05,569	37,39,975
In deposit accounts	--	11,08,53,735
Total	2,94,05,569	11,45,93,710

Note: 13. Short Term Loans and Advances:

(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
Prepaid expenses - Unsecured, considered good.	4,01,445	10,715
Unamortized Brokerage & Commission	26,03,875	--
Service Tax credit receivable	13,56,855	5,54,126
Total	43,62,175	5,64,841

The Company does not have any contingent liability not provided for, as on the balance sheet date.

Note: 14. Revenue from operations:

(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
Investment Management Fees/Sale of Services	41,89,235	4,13,820
Total	41,89,235	4,13,820

Note: 15. Other Income:

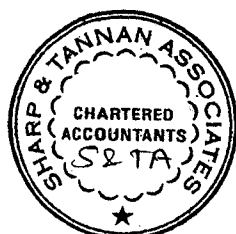
(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
Interest Income	25,37,140	1,00,25,730
Interest Income (CP – Inter Company)	69,35,307	--
Profit on sale of Capital Gain/(Loss)	16,01,837	--
Interest On Income Tax Refund	10,146	--
Total	1,10,84,430	1,00,25,730

Note: 16. Employee Benefit Expenses:

(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
Salaries, Wages and bonus	1,79,43,534	94,61,093
Contribution to provident and other funds	8,27,115	4,25,229
Staff welfare Expenses	95,387	--
Total	1,88,66,036	98,86,322



[Handwritten Signature]

India Infoline Asset Management Company Limited

Note: 17. Finance Charges

(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
Interest Expenses on borrowings	1,39,354	2,22,763
Total	1,39,354	2,22,763

Note: 18. Other Expenses

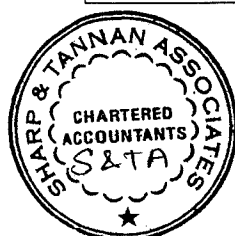
(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
Advertisement Expenses	12,34,381	47,68,680
Brokerage and Commission expenses	33,54,702	31,90,949
Communication	11,05,023	36,355
Electricity	6,03,711	1,35,754
Insurance	2,12,567	4,82,000
Rate and Taxes	9,530	5,82,984
Regulatory, legal & professional	36,61,146	21,34,255
Marketing and business promotion Expenses	13,87,701	13,15,144
Membership & Subscription	1,82,533	1,25,000
Miscellaneous expenses	1,35,957	5,415
Repairs and maintenance – others	1,66,179	2,285
Payments to auditors		
For Statutory Audit	50,000	50,000
For Out of pocket	3,361	8,500
Postage & Courier Expenses	1,71,526	2,23,534
Processing Charges Expenses	6,37,682	3,01,853
Printing and Stationery Expenses	5,19,198	9,818
Rent including lease rentals	18,91,990	12,19,766
Office Expenses	2,85,926	--
Sitting Fees and Out of Pocket Expenses	4,66,065	3,82,780
Travelling and conveyance	28,66,448	15,59,681
TOTAL	18,945,625	1,65,34,753

Note: 19. Basic and Diluted Earnings Per Share ["EPS"] computed in accordance with Accounting Standard (AS) 'Earnings per share' as prescribed by Companies (Accounting Standard) Rules, 2006.

(Amount in ₹)

Particulars		2012-2013	2011-2012
BASIC & DILUTED EARNINGS PER SHARE			
Profit/(Loss) after tax as per Profit and Loss account	A	(2,42,30,413)	(2,28,97,954)
Weighted Number of Shares Subscribed (no of shares)	B	1,60,06,849	1,27,05,479
Basic & Diluted EPS (Rupees)	A/B	(1.51)	(1.80)



Handwritten signature

India Infoline Asset Management Company Limited

Note: 20 Deferred tax assets (Net)

(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
On Preliminary expenses	1,50,324	2,25,487
On business loss	1,75,55,791	1,00,04,096
On Depreciation	7,60,747	4,80,838
On Gratuity	3,92,885	--
Total	1,88,59,747	1,07,10,421

Note : On conservative basis Company has not recognised Deferred tax Assets during the Year.

Note 21: Gratuity Plan

(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
Current Service tax	--	--
Interest Cost	--	--
Actuarial (Gains)/Losses	3,19,762	1,54,854
Past Service Cost Recognized during the period (Vested & Non Vested benefits)	--	--
Total	3,19,762	1,54,854

Note: 22. Segment reporting:

In accordance with the Accounting Standard on "Segment Reporting" (AS-17) issued by the Institute of Chartered Accountants of India, the Company has determined business segments as under.

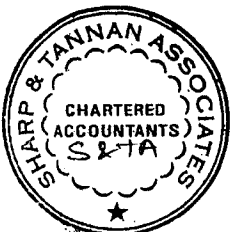
The Company's operations predominantly relates to providing Asset Management Services. It acts as an Investment Manager to schemes launched by IIFL Mutual Fund. Accordingly, the Company has recognized 'Mutual Fund' as Primary business segments.

Secondary segment reporting does not require separate disclosure as most of the activities of the Company are within India

Note: 23. The Company Operates from and uses the premises, infrastructure and other facilities and services as provided to it by its holding company / subsidiaries / group companies which are termed as 'Shared Services'. Hitherto, such shared services consisting of administrative and other revenue expenses paid for by the company were identified and recovered from them based on reasonable management estimates, which are constantly refined in the light of additional knowledge gained relevant to such estimation. These expenses are recovered on an actual basis and the estimates are used only where actual were difficult to determine.

Note: 24. Disclosures in respect of applicability of AS – 18 Related Party Disclosures.

Nature of relationship	Name of party
(a) Holding Company	India Infoline Ltd
(b) Fellow Subsidiaries	India Infoline Commodities Limited India Infoline Trustee Company Limited India Infoline Finance Limited India Infoline Media & Research Services Limited India Infoline Commodities DMCC



[Handwritten signature]

India Infoline Asset Management Company Limited

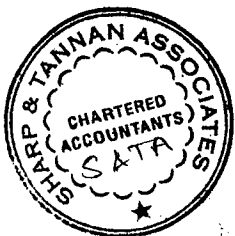
	IIFL Wealth Management Limited India Infoline Insurance Services Limited India Infoline Insurance Brokers Limited IIFL Realty Limited IIFL Alternate Asset Advisors limited. India Infoline Distribution Company Limited IIFL (Asia) Pte Limited IIFL Securities Ceylon (Pvt) Limited IIFL Capital Ceylon Limited IIFL Capital Limited IIFL Private Wealth Management Dubai Limited IIFL Wealth UK Ltd IIFL Inc IIFL Private Wealth Hong Kong Limited IIFL Private Wealth Mauritius Limited IIFL Private Wealth (Suisse) SA. IIFL Capital Inc.
(c) Group Companies	IIFL Distribution Services Private Limited (Formerly Finest Wealth Managers Private Limited) India Infoline Housing Finance Limited IIFL (Thane) Private Limited (*) IIFL Energy Limited (**) IIFL Trustee Services Limited IIFL Securities Pte Ltd IIFL Capital Pte. Ltd (formerly known as IIFL Wealth- Pte. Ltd.)
(d) Key Management Personnel	Mr. R Venkataraman Mr. Gopinath Natrajan Chief Executive Officer & Manager.
(e) Other related parties	India Infoline Venture Capital Fund Mr. Nirmal Jain Madhu Jain (wife of Mr. Nirmal Jain) Aditi Venkataraman (wife of Mr. R Venkataraman)

(*) With effect from 1st April 2012 The Company has been merged with its holding Company IIFL realty Limited.

(**) IIFL Energy Limited was Related Party up to 25th March, 2013.

Note: 25. Significant Transaction with Related Parties

Nature of Transaction	Holding Company	Fellow Subsidiaries	Group Companies	Key Managerial Person	Total
Finance (including equity contribution in cash)	2,50,00,000	--	--	--	2,50,00,000
	(2,50,00,000)	--	--	--	(2,50,00,000)
Rent Expenses	--	12,00,000	--	--	12,00,000
	--	(12,19,766)	--	--	(12,19,766)



India Infoline Asset Management Company Limited

Brokerage & Commission Expenses	16,25,892	77,32,674	--	--	93,58,566
	(4,42,303)	(25,83,386)	--	--	(30,25,689)
Advances returned/ reimbursement of expenses	3,49,00,671	18,63,144	--	--	3,67,63,815
	(1,79,44,498)	(52,19,648)	--	--	(2,31,64,146)
Interest Expenses	1,39,354	--	--	--	1,39,354
	(2,22,763)	--	--	--	(2,22,763)
Investment in Commercial Paper	--	8,30,64,690	--	--	8,30,64,690
	--	--	--	--	--
Income on Commercial Paper	--	69,35,310	--	--	69,35,310
	--	--	--	--	--
Remuneration	--	--	--	12,00,000	12,00,000
	--	--	--	--	--
Advances taken/ allocation of expenses	3,49,00,671	18,63,144	--	--	3,67,63,815
	(1,79,44,498)	(52,19,648)	--	--	(2,31,64,146)

Note:

- I) Figures in bracket represent previous year figures.
II) Related parties are identified and certified by the management.

Note: 26. There are no dues to micro, small and medium enterprises (MSME's) covered under Micro, Small and Medium Enterprises Development Act, 2006, which are outstanding for more than 45 days.

Note: 27. Previous year figures have been re-grouped, re-classified & rearranged, wherever considered necessary to confirm to current year's presentation.

As per our attached report of even date

For Sharp & Tannan Associates

Chartered Accountants

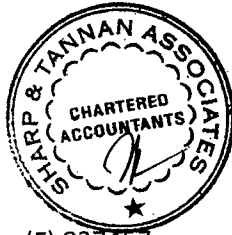
ICAI Registration No.109983W

By the hand of

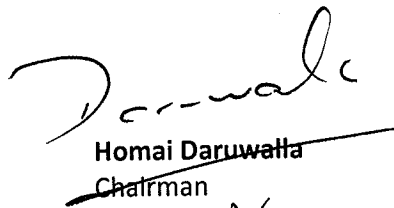


Tirtharaj Khot
Partner

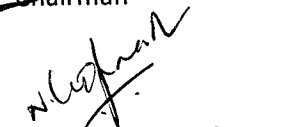
Membership No.: (F) 037457



For and on behalf of the Board of Directors




Homai Daruwalla
Chairman



Gopinath Natarajan
Chief Executive Officer

R.Venkataraman
Director



Ashutosh Naik
Company secretary

Place: Mumbai
Dated: April 30, 2013