



Abridged Annual Report
2012 - 2013

SPONSOR

India Infoline Limited
Registered Office: IIFL House,
Sun Infotech park, Road No. 16 V,
Plot No. B-23, Thane Industrial Estate
Area, Wagle Estate, Thane - 400 604

ASSET MANAGEMENT COMPANY

India Infoline Asset Management Company Limited
IIFL Centre, 3rd Floor Annex, Kamala City,
S.B. Marg, Lower Parel, Mumbai - 400 013

TRUSTEE COMPANY

India Infoline Trustee Company Limited
Regd. Office:
IIFL Centre, 3rd Floor Annex,
Kamala City, Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013

CUSTODIAN

First International Financial Centre (FIFC),
11th Floor, Plot Nos. C 54 and C55, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai - 400 051

REGISTRAR

Computer Age Management Services Pvt. Ltd. (CAMS)
"Rayala Towers", Tower I, 5th Floor,
158 Anna Salai, Chennai - 600 002
www.camsonline.com

STATUTORY AUDITORS

S. R. Batliboi & Co. LLP,
6th Floor, Express Towers,
Nariman Point, Mumbai - 400 021
Tel : 022-6657 9200
Fax : 022-6657 6401

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Dear Unitholders,

We have pleasure in presenting the Second Annual Report of the Schemes of IIFL Mutual Fund for the period ended March 31, 2013, along with the audited financial statements of the Schemes of IIFL Mutual Fund.

1. Scheme Performance, Future Outlook and Operations of the Schemes.

A. Scheme Performance

The Assets Under Management ("AUM"), the net asset value ("NAV") per unit and the performance of the schemes vis-à-vis their benchmark and Industry Benchmark, as on March 31, 2013 are as follows:

Name of the Scheme	Net AUM as on March 31, 2013 (In Crores)	NAV as on March 31, 2013 ³	Performance since Inception date of the respective scheme & Indices (in %)			Performance of last one year for the respective scheme & Indices (in %)		
			Scheme ^	Benchmark Index*	@Standard Benchmark	Scheme ^	Benchmark Index*	@Standard Benchmark
IIFL Nifty ETF	11.95	575.707	10.39	9.12	9.02	12.06	10.67	11.28
IIFL Dividend Opportunities Index Fund – Regular Plan	32.91	10.5558	5.24	4.15	10.67	NA	NA	NA
IIFL Dividend Opportunities Index Fund – Direct Plan	NA	10.0884	10.69	10.81	5.18	NA	NA	NA
IIFL Fixed Maturity Plan - Series 1	35.16	11.1311	9.463	9.1347	9.0205	9.7700	9.0952	8.37
IIFL Fixed Maturity Plan - Series 2	72.15	11.0937	10.2500	9.1347	9.0205	9.8769	9.0952	8.37
IIFL Fixed Maturity Plan - Series 3	52.78	11.0094	9.9957	9.1347	9.0205	9.6671	9.0952	8.37
IIFL Fixed Maturity Plan - Series 6	123.29	NA	NA	NA	NA	NA	NA	NA

[^] Performance returns are of Growth option

[Past performance may or may not be sustained in the future].

\$ The net asset value disclosed above represents the computed NAV as on March 31, 2013, and not the last declared NAV.

* CNX Nifty Index for IIFL NIFTY ETF, CNX Dividend Opportunities Index for IIFL Dividend Opportunities Index Fund, Crisil Short Term Bond Index for IIFL FMP Series 1&6

@ BSE Sensex for IIFL NIFTY ETF and CNX Nifty for IIFL Dividend Opportunities Index Fund & Crisil 1-Year T-Bill for IIFL FMP Series 1 & 6.

Brief Comments on Objective and Performance of Scheme

IIFL NIFTY ETF

IIFL Nifty ETF (Scheme) is open ended passively managed scheme which track & replicate the Benchmark Index CNX Nifty (Index). Scheme's investment objective is to provide returns (before fees and expenses) that closely correspond to the total return of the CNX Nifty Index, subject to tracking errors. As per Scheme's investment pattern, the Fund Manager will deploy 95% to 100% of AUM in stocks comprising CNX Nifty Index and 0-5% in debt and money market instruments. The Scheme's investment decision is determined as per constituents of Index, any changes therein and/or rebalancing due to various reasons including corporate actions. The Scheme had an annualised tracking error of 0.11 % which is based on monthly data history from March 2012 to March 2013.

IIFL Dividend Opportunities Index Fund

IIFL Dividend Opportunities Index Fund is open ended passively managed scheme which tracks & replicates its Benchmark CNX Dividend Opportunities Index. Scheme's investment objective is to provide returns (before fees and expenses) that closely correspond to the total return of the CNX Dividend Opportunities Index subject to tracking errors. As per Scheme's investments pattern, the Fund Manager would allocate 95% to 100% in stocks comprising CNX Dividend Opportunities Index and 0 - 5% in debt and money market instruments. The Scheme's investment decision is determined as per constituents of Index, any changes therein and/or rebalancing due to various reasons including corporate actions. The Scheme had an annualized tracking error of 0.12 % which is based on monthly data history from July 2012 to March 2013.

Returns for last one year are not calculated as the scheme has not completed one year as on March 31, 2013.

IIFL FIXED MATURITY PLAN – SERIES 1 and Series 6

The Investment Objective of IIFL Fixed Maturity Plan (FMP) series 1, Series 2, Series 3 and Series 6 is to generate returns through investments in debt and money market instruments, maturing on or before maturity of the scheme. Both the schemes are closed ended schemes. The asset allocation of the said schemes is as follows:

IIFL FMP Series 1 and 6

Domestic Debt instruments including Government Securities, Corporate NCDs – 50% - 100% and

Money Market Instruments upto maximum of 50%

IIFL FMP Series 2 and 3

Domestic Debt instruments including Government Securities, Corporate NCDs and money market instruments upto maximum of 100%

Returns for IIFL FMP Series 6 are not calculated as the first NAV of the scheme was declared on April 03, 2013.

B. Future Outlook and Operations of the Scheme:

Equity Market Outlook:

In FY 2012-13 India Equity Market has been positive with Nifty up by 7.31%, driven by large cap stocks. With expected gradual recovery in growth, lower inflation, interest-rate easing cycle and better corporate earnings, the Indian equity market is expected to perform in FY 13-14.

Debt Market Outlook:

The fixed income markets witnessed a rally since the start of April, as yields eased significantly from the levels seen in March. The fall in yields was triggered by robust demand from long term investors, reduction in withholding tax on bonds for FII's, sharp fall in commodity prices especially the fall in prices of Gold and Crude Oil in addition to inflation falling much below what market expected which led to expectation of further monetary easing by RBI during the rest of the financial year.

However, Global developments guided by the prospects of tapering and unwinding of QE by the US Fed put the rupee under pressure due to which bond yields retraced some of their gains in anticipation of a pause in rate easing cycle.

More recently RBI announced series of measures to support the currency and tighten liquidity to address exchange market volatility which has led to fears of RBI reversing their monetary easing stance and therefore a sudden hike in both long term and short

term yields. We believe these measures taken by RBI are short term measures and once rupee stabilizes, the possibility of RBI reversing these measures after a short time cannot be entirely ruled out. On the other hand, if rupee volatility continues, primarily due to external factors, then RBI can be expected to take further actions to support the currency.

In the medium term, focus on reviving growth along with significant moderation in inflation would lead to continuation of rate easing cycle and thus lower interest rates across the yield curve. Therefore such situations throw up an attractive investment opportunity (from a medium to long term perspective) for investors.

Source- Bloomberg/Care rating

Operations of the Scheme

During the Financial Year ended March 31, 2013, IIFL Mutual Fund launched 2 schemes, one being IIFL Dividend Opportunities Index Fund, an open ended Index Scheme and one series under IIFL Fixed Maturity Plan (closed ended income schemes). The Net AUM of IIFL Mutual Fund as on March 31, 2013 was Rs. 328.23 Crore with around 26,900 folios.

IIFL Mutual Fund with its various product offerings is continuing to grow its Assets Under Management and the number of investors. The AMC would endeavor towards augmenting retail assets while simultaneously remaining proactive with Investor Education Campaigns. In the current financial year AMC has launched IIFL Dynamic Bond Fund and proposes to launch certain debt schemes like Liquid Plan, Short Term Plan and further series under Fixed Maturity Plan. The AMC also seeks to include such other schemes in its product offerings, to suit the requirement of investors at every stage of life.

2. Brief background of Sponsors, Fund, Trustee Co. and AMC Co.

A. Sponsor

IIFL Mutual Fund is sponsored by India Infoline Limited (IIFL). IIFL was incorporated on 18th October, 1995 and is listed on National Stock Exchange of India Ltd (NSE), Bombay Stock Exchange Ltd.(BSE), MCX – Sx. IIFL is registered with Securities & Exchange Board of India as Stock Broker on NSE, BSE, MCX Stock Exchange Limited & United Stock Exchange Ltd, as a Depository Participant with National Securities Depository Limited and Central Depository Services (India)Limited. IIFL is also registered as Merchant Banker under SEBI (Merchant Bankers) Regulations, 1992 and as a Portfolio Manager under SEBI (Portfolio Managers) Regulations, 1996.

B. IIFL Mutual Fund

IIFL Mutual Fund has been constituted as a trust on April 29, 2010 in accordance with the provisions of the Indian Trusts Act, 1882 with India Infoline Limited as the Sponsor and India Infoline Trustee Company Limited as the Trustee. The Trust Deed has been registered under the Indian Registration Act, 1908. The Mutual Fund was registered with SEBI on March 23, 2011 under Registration Code MF/067/11/02.

C. Trustees

India Infoline Trustee Company Limited ("Trustee") was incorporated on June 05, 2009 under the Companies Act, 1956 and is Trustee to IIFL Mutual Fund. The Trustee ensures that the transactions entered into by the AMC are in accordance with the SEBI Regulations and also review the activities carried on by the AMC. The Board of Directors of the Trustee Company comprises of eminent personalities with varied experience. The Trustee holds the Scheme's Corpus in trust for the benefit of the unitholders. The Trustee has been discharging its duties and carrying out the responsibilities as provided in the Regulations and the Deed of Trust. The Trustee seeks to ensure that the Fund and the Schemes floated there under are managed by the AMC in accordance with the Deed of Trust, the Regulations, directions and guidelines issued by the SEBI, the Stock Exchanges, the Association of Mutual Funds in India and other regulatory agencies. From the information provided to the Trustees and the reviews the Trustee

has undertaken, the Trustee believes AMC has operated in the interests of the Unit holders.

D. Asset Management Company

India Infoline Asset Management Company Ltd. ("AMC") was incorporated under the Companies Act, 1956 on March 22, 2010, having its Registered Office at IIFL Centre, 3rd Floor Annex, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. AMC has been appointed as the Investment Manager to IIFL Mutual Fund by the Trustee vide Investment Management Agreement (IMA) April 29, 2010, executed between India Infoline Trustee Company Ltd. and India Infoline Asset Management Company Ltd. The Board of Directors of the AMC comprises of eminent personalities with varied experience.

Significant Accounting Policies

The Significant Accounting Policies form part of the Notes to the Accounts annexed to the Balance Sheet of the Scheme. Accounting policies are in accordance with Securities Exchange Board of India (Mutual Fund) Regulations, 1996.

Unclaimed Dividends & Redemptions of Current Schemes for the financial year 2012-2013

As on March 31, 2013 there are no unclaimed dividend and redemption amount under any schemes of IIFL Mutual Fund. However, an amount of Rs. 1,738,979.73 remains unclaimed under IIFL Nifty ETF, being the amount of refund(s) made to investors under the NFO of IIFL Nifty ETF and not claimed / encashed by the Investors.

Investor Grievances

The data on Investor Grievance as per the SEBI prescribed is enclosed herewith as **Annexure I**.

General Policies & Procedures for exercising the voting rights & Exercise of Proxy Votes:

As per the requirements of SEBI Circular No. SEBI/IMD/CIR No.18/198647/2010 dated March 15, 2010, the General policies and procedures for exercising voting rights (along with the relevant disclosures) in respect of the shares held by the Schemes of IIFL Mutual Fund has hosted on www.iiflmf.com

Statutory Information

- The Sponsors are not responsible or liable for any loss resulting from the operations of the Schemes of IIFL Mutual Fund beyond their initial contribution of an amount of Rs. 1 Lakhs towards setting up IIFL Mutual Fund, and such other accretions/ additions to the same
- The price and redemption value of the units, and income from them, can go up as well down with fluctuations in the market value of its underlying investment.
- Full Annual Report shall be disclosed on the website www.iiflmf.com and shall also be available for inspection at the Registered Office of IIFL Mutual Fund. Present and prospective unitholder can obtain copy of the trust deed, the full Annual Report of the Fund / AMC at a price.

Acknowledgement

The Trustee wish to thank Securities and Exchange Board of India, Reserve Bank of India and Association of Mutual Funds in India for their support and direction. The Trustees also wish to thank all the Unitholders for their strong support.

For India Infoline Trustee Company Limited

A. K. Shukla

Chairman

Date: July 19, 2013

Place: Mumbai

ANNEXURE I

Details of Redressal of Complaints received against IIFL Mutual Fund during FY 2012-2013

Total Folios : 26928

Com-plaint Code	Type of Complaint	(a) No. of complaints pending at the beginning of the year	Action on (a) and (b)											
			(b) No. of Com-plaints received during the year	Resolved				Non Action-able	Pending					
				Within 30 days	30-60 days	60-180 days	Beyond 180 days		0-3 months	3-6 months	6-9 months	9-12 months		
I A	Non receipt of Dividend on Units													
I B	Interest on delayed payment of Dividend													
I C	Non receipt of Redemption Proceeds		23	23										
I D	Interest on delayed payment of Redemption		2	2										
II A	Non receipt of Statement of Account/Unit Certificate		1	1										
II B	Discrepancy in Statement of Account													
II C	Non receipt of Annual Report/ Abridged Summary													
III A	Wrong switch between Schemes													
III B	Unauthorized switch between Schemes													
III C	Deviation from Scheme attributes													
III D	Wrong or excess charges/load													
III E	Non updation of changes viz. address, PAN, bank details, nomination, etc		10	10										
IV	Others		5	5										
	a. Correction of Investor Information		1	1										
	b. Non Receipt of Cheque pertaining to Refund of Fractional Units / NFO NIGO Refunds		4	4										
	Total		41	41										

INDEPENDENT AUDITOR'S REPORT

To the Trustee of

IIFL MUTUAL FUND

Report on the Financial Statements

We have audited the accompanying financial statements of the Schemes of IIFL Mutual Fund mentioned below (collectively 'the Schemes'), which comprise the Balance Sheet as at March 31, 2013, and the Revenue Account and Cash Flow Statement (where applicable) for the period April 1, 2012 or date of launch of the respective Schemes to March 31, 2013 ('the period'), and a summary of significant accounting policies and other explanatory information. Presentation of these separate Balance Sheets, Revenue Accounts and Cash Flow Statements in a columnar form is not intended to indicate that they bear any relation to each other, or are interdependent or comparable in any way:

- IIFL Nifty ETF
- IIFL Fixed Maturity Plan – Series 1
- IIFL Fixed Maturity Plan – Series 2
- IIFL Fixed Maturity Plan – Series 3
- IIFL Dividend Opportunity Index Fund
- IIFL Fixed Maturity Plan – Series 6

Management's Responsibility for the Financial Statements

Management of India Infoline Asset Management Company Limited ('the Company'), the scheme's asset manager, 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 Scheme in accordance with accounting principles generally accepted in India, including the accounting policies and standards specified in the Ninth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 ('the SEBI Regulations'). 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 Scheme'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 SEBI Regulations in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the Balance Sheet, of the state of affairs of the Schemes as at the March 31, 2013;
- in the case of the Revenue Account, of the surplus/deficit (as applicable) for the period April 1, 2012/date of launch till March 31, 2013; and
- in the case of the Cash Flow Statement, of the cash flows (as applicable) for the period April 1, 2012/date of launch till March 31, 2013.

Report on Other Legal and Regulatory Requirements

- 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.
- The balance sheet, revenue account and cash flow statement dealt with by this report are in agreement with the books of account.
- In our opinion, the balance sheet and revenue account dealt with by this report have been prepared in conformity with the accounting policies and standards specified in the Ninth Schedule to the SEBI Regulations.
- In our opinion, and on the basis of information and explanations given to us, the methods used to value non traded securities as at 31 March 2013 are in accordance with the SEBI Regulations and other guidelines issued by the Securities and Exchange Board of India, as applicable, and approved by the Board of Trustees, and are fair and reasonable.

For **S. R. Batliboi & Co.**

Chartered Accountants

ICAI Firm Registration Number: 301003E

per **Shrawan Jalan**

Partner

Membership Number: 102102

Date: July 19, 2013

Place: Mumbai

	IIFL NIFTY ETF		IIFL Fixed Maturity Plan - Series 1		IIFL Fixed Maturity Plan - Series 2		IIFL Fixed Maturity Plan - Series 3		IIFL Dividend Opportunities Index Fund		IIFL Fixed Maturity Plan - Series 6	
	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
LIABILITIES												
1 Unit Capital	20.75	36.25	3,158.83	3,158.83	6,503.56	6,503.56	4,793.91	4,793.91	3,117.27	-	12,221.42	-
2 Reserves & Surplus												
2.1 Unit Premium Reserves	897.41	1,723.88	-	-	-	-	-	-	59.90	-	-	-
2.2 Unrealised Appreciation Reserve	124.24	144.12	-	-	-	21.07	-	-	5.53	-	92.38	-
2.3 Other Reserves	152.12	14.87	357.29	41.75	711.30	41.51	483.91	(2.27)	107.82	-	15.26	-
3 Loans & Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
4 Current Liabilities & Provisions												
4.1 Provision for doubtful Income / Deposits	-	-	-	-	-	-	-	-	-	-	-	-
4.2 Other Current Liabilities & Provisions	2.32	637.66	1.33	1.26	5.08	1.43	0.79	2.24	321.44	-	1.31	-
TOTAL	1,196.84	2,556.78	3,517.45	3,201.84	7,219.94	6,567.57	5,278.61	4,793.88	3,611.96	-	12,330.37	-
ASSETS												
1 Investments												
1.1 Listed Securities:												
1.1.1 Equity Shares	1,191.20	2,551.14	-	-	-	-	-	-	3,258.36	-	-	-
1.1.2 Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-
1.1.3 Equity Linked Debentures	-	-	-	-	-	-	-	-	-	-	-	-
1.1.4 Other Debentures & Bonds	-	-	3,257.27	3,090.58	-	-	-	-	-	-	7,147.17	-
1.1.5 Securitised Debt Securities	-	-	-	-	-	-	-	-	-	-	-	-
1.2 Securities Awaited Listing:												
1.2.1 Equity Shares	-	-	-	-	-	-	-	-	-	-	-	-
1.2.2 Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-
1.2.3 Equity Linked Debentures	-	-	-	-	-	-	-	-	-	-	-	-
1.2.4 Other Debentures & Bonds	-	-	-	-	-	-	-	-	-	-	-	-
1.2.5 Securitised Debt Securities	-	-	-	-	-	-	-	-	-	-	-	-
1.3 Unlisted Securities												
1.3.1 Equity Shares	-	-	-	-	-	-	-	-	-	-	-	-
1.3.2 Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-
1.3.3 Equity Linked Debentures	-	-	-	-	-	-	-	-	-	-	-	-
1.3.4 Other Debentures & Bonds	-	-	-	-	-	-	-	-	-	-	2,081.96	-
1.3.5 Securitised Debt Securities	-	-	-	-	-	-	-	-	-	-	-	-
1.4 Government Securities	-	-	-	-	-	-	-	-	-	-	-	-
1.5 Treasury Bills	-	-	-	-	-	-	-	-	-	-	-	-
1.6 Commercial Paper	-	-	-	-	-	-	-	-	-	-	-	-
1.7 Certificate of Deposits	-	-	129.95	-	7,196.12	6,556.58	5,266.46	2,725.19	-	-	599.79	-
1.8 Bill Rediscounting	-	-	-	-	-	-	-	-	-	-	-	-
1.9 Units of Domestic Mutual Fund	-	-	-	-	-	-	-	-	-	-	-	-
1.10 Foreign Securities	-	-	-	-	-	-	-	-	-	-	-	-
Total Investments	1,191.20	2,551.14	3,387.22	3,090.58	7,196.12	6,556.58	5,266.46	2,725.19	3,258.36	-	9,828.92	-
2 Deposits	-	-	-	-	-	-	-	-	-	-	-	-
3 Other Current Assets												
3.1 Cash & Bank Balance	4.78	5.15	20.24	1.01	23.82	10.99	12.15	2,068.69	342.75	-	150.89	-
3.2 CBLO/ Reverse Repo Lending	-	-	-	-	-	-	-	-	-	-	-	-
3.3 Others	0.86	0.49	109.99	110.25	-	-	-	-	10.85	-	2,350.56	-
4 Deferred Revenue Expenditure (to the extent not written off)	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	1,196.84	2,556.78	3,517.45	3,201.84	7,219.94	6,567.57	5,278.61	4,793.88	3,611.96	-	12,330.37	-

The notes to accounts form an integral part of the accounts.
 (*) Indicates less than 1 Lakh.

	IIFL NIFTY ETF		IIFL Fixed Maturity Plan - Series 1		IIFL Fixed Maturity Plan - Series 2		IIFL Fixed Maturity Plan - Series 3		IIFL Dividend Opportunities Index Fund		IIFL Fixed Maturity Plan - Series 6	
	Year ended 31.03.2013	Year/Period ended 31.03.2012	Year ended 31.03.2013	Year/Period ended 31.03.2012	Year ended 31.03.2013	Year/Period ended 31.03.2012	Year ended 31.03.2013	Year/Period ended 31.03.2012	Year ended 31.03.2013	Year/Period ended 31.03.2012	Year ended 31.03.2013	Year/Period ended 31.03.2012
INCOME												
1.1 Dividend	29.98	9.58	-	-	-	-	-	-	46.66	-	-	-
1.2 Interest	-	-	320.20	61.01	692.15	42.98	484.56	1.40	1.44	-	16.58	-
1.3 Realised Gain / (Loss) on Foreign Exchange Transactions	-	-	-	-	-	-	-	-	-	-	-	-
1.4 Realised Gains / (Losses) on Interscheme sale of Investments	-	-	-	-	-	-	-	-	-	-	-	-
1.5 Realised Gains / (Losses) on External Sale / Redemption of Investments	174.49	13.56	-	-	1.68	(0.03)	0.76	-	57.05	-	-	-
1.6 Realised Gains / (Losses) on Derivative Transactions	-	-	-	-	-	-	-	-	-	-	-	-
1.7 Provision for depreciation in value of Investments written back	-	-	8.32	-	-	-	3.14	-	-	-	-	-
1.8 Load Income	-	-	-	-	-	-	-	-	2.82	-	-	-
1.9 Other Income	-	-	-	-	-	-	-	-	-	-	-	-
(A)	204.47	23.14	328.52	61.01	693.83	42.95	488.46	1.40	107.97	-	16.58	-
2 EXPENSES												
2.1 Management Fees (inclusive of service tax)	0.91	0.67	11.63	2.60	21.10	1.30	0.35	-	12.27	-	0.81	-
2.2 Service Tax on Management Fees	-	-	-	-	-	-	-	-	-	-	-	-
2.3 Transfer Agents Fees and Expenses	0.60	0.45	0.26	0.05	0.53	0.04	0.39	-	1.89	-	0.02	-
2.4 Custodian Fees	0.39	0.23	0.26	0.05	0.55	0.04	0.41	0*	0.57	-	0.02	-
2.5 Trusteeship Fees	0.18	0.13	0.34	0.06	0.69	0.04	0.50	0*	0.19	-	0.02	-
2.6 Commission to Agents	-	-	-	-	-	-	-	-	8.95	-	-	-
2.7 Marketing & Distribution Expenses	-	-	-	-	-	-	-	-	-	-	-	-
2.8 Audit Fees	0.06	-	0.04	-	0.09	-	0.06	-	0.37	-	-	-
2.9 Investor Education Fund	0.17	-	0.34	-	0.71	-	0.52	-	0.26	-	0.04	-
2.10 Other Operating Expenses	2.22	1.88	0.11	0.02	0.21	0.02	0.05	0.01	5.84	-	0.41	-
3.0 NFO Amortisation Expenses	-	-	-	-	-	-	-	-	-	-	-	-
(B)	4.53	3.36	12.98	2.78	23.88	1.44	2.28	0.01	30.34	-	1.32	-
3 NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD (A-B=C)	199.94	19.78	315.54	58.23	669.95	41.51	486.18	1.39	77.63	-	15.26	-
4 Change in Unrealised Depreciation in Value of Investments (D)	-	-	-	16.48	0.17	-	-	3.66	-	-	-	-
5 NET GAINS / (LOSSES) FOR THE YEAR / PERIOD (E=(C-D))	199.94	19.78	315.54	41.75	669.78	41.51	486.18	(2.27)	77.63	-	15.26	-
6 Change in Unrealised Appreciation in the Value of Investments (F)	124.24	144.12	-	-	-	21.07	-	-	-	-	-	-
7 NET SURPLUS / (DEFICIT) FOR THE YEAR / PERIOD (E + F = G)	324.18	163.90	315.54	41.75	669.78	62.58	486.18	(2.27)	77.63	-	15.26	-
7.1 Add: Opening Balance Transfer from Unrealised Appreciation Reserve	14.86	-	41.75	-	41.51	-	(2.27)	-	-	-	-	-
7.2 Less: Balance Transfer to Unrealised Appreciation Reserve	(124.24)	(144.12)	-	-	-	(21.07)	-	-	-	-	-	-
7.3 Add / (Less): Equalisation	(62.69)	(4.92)	-	-	-	-	-	-	30.18	-	-	-
8 Total	152.11	14.86	357.29	41.75	711.29	41.51	483.91	(2.27)	107.81	-	15.26	-
9 Dividend Appropriation	-	-	-	-	-	-	-	-	-	-	-	-
9.1 Income Distributed during the Year / Period	-	-	-	-	-	-	-	-	-	-	-	-
9.2 Tax on Income Distributed during the Year / Period	-	-	-	-	-	-	-	-	-	-	-	-
10 Retained Surplus / (Deficit) carried forward to Balance Sheet	152.11	14.86	357.29	41.75	711.29	41.51	483.91	(2.27)	107.81	-	15.26	-

The notes to accounts form an integral part of the accounts.
 (*) Indicates less than 1 Lakh.

Schedules forming part of the Balance Sheet as at 31st March, 2013 and the Revenue Account for the year ended on 31st March, 2013

Annexure I: ABRIDGED NOTES TO ACCOUNTS

1. Investments

- 1.1 Investments of the Schemes are registered in the name of the Trustees for the benefits of the Schemes Unit holders.
 1.2 Open Position of derivatives:- NIL
 1.3 Investments in Associates and Group Companies for 2012-2013

Scheme	Security	Purchase		Sale		Outstanding	
		Quantity	Value	Quantity	Value	Quantity	Value
IIFL Dividend Opportunities Index Fund	India Infoline Limited.	13,029	794,903	13,029	868,348	-	-
IIFL Dividend Opportunities Index Fund	National Thermal Power Company Limited.	190,752	28,907,088	5,974	948,449	184,778	26,229,237
IIFL FMP Series 6	India Infoline Finance Limited.	150,000,000	150,257,900	-	-	150,000,000	155,756,400
IIFL FMP Series 6	India Infoline Housing Finance Limited.	100,000,000	100,212,400	-	-	100,000,000	103,837,600
IIFL Nifty ETF	National Thermal Power Company Limited.	9,860	1,556,147	16,342	2,614,126	13,469	1,911,925
IIFL Nifty ETF	Jaiprakash Associates Limited.	3,199	233,878	13,369	1,054,302	7,485	489,893

Investments in Associates and Group Companies for 2011-2012:- NIL

- 1.4 Open position of Securities borrowed and / or Lend by the Scheme :- NIL
 1.5 Details of NPA: Aggregate market value and provision thereof :- NIL
 1.6 Aggregate Unrealized Gain / Loss and percentage to net assets:

₹ in Lakhs

Scheme	Unrealised Gain/ (loss) (Other than Derivatives) (A)	Unrealised Gain/ (loss) (Derivatives) (B)	Total Unrealised Gain/ Loss C=A+B	% to Net Assets
IIFL NIFTY ETF	124.24	0.00	124.24	10.40%
IIFL Fixed Maturity Plan - Series 1	-8.16	0.00	-8.16	-0.23%
IIFL Fixed Maturity Plan - Series 2	-0.17	0.00	-0.17	0.00%
IIFL Fixed Maturity Plan - Series 3	-0.52	0.00	-0.52	-0.01%
IIFL Dividend Opportunities Index Fund	5.53	0.00	5.53	0.17%
IIFL Fixed Maturity Plan - Series 6	92.38	0.00	92.38	0.75%

Scheme	Unrealised Gain/ (loss) (Other than Derivatives) (A)	Unrealised Gain/ (loss) (Derivatives) (B)	Total Unrealised Gain/ Loss C=A+B	% to Net Assets
IIFL NIFTY ETF	144.12	0.00	144.12	7.51%
IIFL Fixed Maturity Plan - Series 1	-16.48	0.00	-16.48	-0.51%
IIFL Fixed Maturity Plan - Series 2	21.07	0.00	21.07	0.32%
IIFL Fixed Maturity Plan - Series 3	-3.66	0.00	-3.66	-0.08%

1.7 The aggregate value of Purchase and Sale (including redeemed) with Percentage of average assets:

₹ in Lakhs

Scheme	Purchases	Sales	Purchase as % to average daily net assets	Sale as % to average daily net assets
	2012-2013	2012-2013	2012-2013	2012-2013
IIFL NIFTY ETF	581.85	2096.40	32.04%	115.43%
IIFL Fixed Maturity Plan - Series 1	272.49	152.00	8.11%	4.52%
IIFL Fixed Maturity Plan - Series 2	7577.81	7610.87	109.64%	110.12%
IIFL Fixed Maturity Plan - Series 3	7325.39	5271.21	145.12%	104.43%
IIFL Dividend Opportunities Index Fund	3884.23	688.46	160.50%	28.45%
IIFL Fixed Maturity Plan - Series 6	9731.58	-	79.11%	-

Scheme	Purchases	Sales	Purchase as % to average daily net assets	Sale as % to average daily net assets
	2011-2012	2011-2012	2011-2012	2011-2012
IIFL NIFTY ETF	3,933.79	1,532.92	132%	52%
IIFL Fixed Maturity Plan - Series 1	3,076.50	-	97%	0%
IIFL Fixed Maturity Plan - Series 2	14,492.94	7,998.86	222%	123%
IIFL Fixed Maturity Plan - Series 3	32,727.45	-	57%	0%

1.8 Non-Traded securities in the portfolio:

₹ in Lakhs

Scheme	As of March 31, 2013					
	Equity	% to net assets	Debt	% to net assets	Money Market Instruments	% to net assets
IIFL NIFTY ETF	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
IIFL Fixed Maturity Plan - Series 1	N.A.	N.A.	3,257.27	92.64%	129.95	3.70%
IIFL Fixed Maturity Plan - Series 2	N.A.	N.A.	N.A.	N.A.	7,196.12	99.74%
IIFL Fixed Maturity Plan - Series 3	N.A.	N.A.	N.A.	N.A.	5,266.46	99.78%
IIFL Dividend Opportunities Index Fund	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
IIFL Fixed Maturity Plan - Series 6	N.A.	N.A.	9,229.13	74.86%	599.79	4.86%

Scheme	As of March 31, 2012					
	Equity	% to net assets	Debt	% to net assets	Money Market Instruments	% to net assets
IIFL NIFTY ETF	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
IIFL Fixed Maturity Plan - Series 1	N.A.	N.A.	3,090.58	96.56%	N.A.	N.A.
IIFL Fixed Maturity Plan - Series 2	N.A.	N.A.	N.A.	N.A.	6,556.58	99.85%
IIFL Fixed Maturity Plan - Series 3	N.A.	N.A.	N.A.	N.A.	2,725.19	56.87%

2 Details of transactions with Associates in terms of regulation 25(8):

Brokerage paid to associates/related parties/group companies of Sponsor/AMC:

Name of associates/ related parties/ group companies of Sponsor/AMC	Nature of Association/ Nature of Relation	Period Covered	Yearly 2012-2013			
			Value of Transaction (in Lakhs)	% of Total Value of Transaction of the fund	Brokerage (in Lakhs)	% of total Brokerage paid by the fund
		01 April 2012 to 31 March 2013	Nil	Nil	Nil	Nil

Name of associates/ related parties/ group companies of Sponsor/AMC	Nature of Association/ Nature of Relation	Period Covered	Yearly 2011-2012			
			Value of Transaction (in Lakhs)	% of Total Value of Transaction of the fund	Brokerage (in Lakhs)	% of total Brokerage paid by the fund
INDIA INFOLINE LIMITED (Nifty ETF)	Associate Broker	Launch Date to March 31, 2012	139.08	3.51%	0.07	3.51%

Commission paid to associates / related parties / group companies of Sponsor / AMC:

Name of associate / related parties/ group Sponsor/ AMC	Nature of Association/ Nature of relation	Period Covered	Business given (Rupees)	Business given (in % of total business received by the fund)	Commission paid (Rupees)	% of total Commission by the fund
India Infoline Limited	Associate	01 April 2012 to March 31, 2013	358,709,575	49.43%	435,356	48.62%
IIFL Wealth Management Limited	Associate	01 April 2012 to March 31, 2013	301,379,300	41.53%	411,943	46.00%

Name of associate / related parties/ group Sponsor/ AMC	Nature of Association/ Nature of relation	Period Covered	Business given (Rupees)	Business given (in % of total business received by the fund)	Commission paid (Rupees)	% of total Commission by the fund
Nil	Nil	Launch Date to March 31, 2012	Nil	Nil	Nil	Nil

ABRIDGED NOTES TO ACCOUNTS

3 Large Holding in the schemes (i.e. in excess of 25% of the net assets)As of March 31, 2013: **NIL**As of March 31, 2012: **NIL****4 Unit Capital movement during the year ended / period ended.
2012-2013**

Scheme	PLAN	Face Value	Opening / Initial Issue Units	Units Sold / Switch in	Redemption / Switch out	Closing Units
IIFL NIFTY ETF	Growth Option	10	362,487.000	85,000.000	240,000.000	207,487.000
IIFL Fixed Maturity Plan - Series 1	Growth Option	10	31,530,879.000	-	-	31,530,879.000
IIFL Fixed Maturity Plan - Series 1	Dividend Option	10	57,440.000	-	-	57,440.000
IIFL Fixed Maturity Plan - Series 2	Growth Option	10	64,930,080.000	-	-	64,930,080.000
IIFL Fixed Maturity Plan - Series 2	Dividend Option	10	105,490.000	-	-	105,490.000
IIFL Fixed Maturity Plan - Series 3	Growth Option	10	47,936,570.000	-	-	47,936,570.000
IIFL Fixed Maturity Plan - Series 3	Dividend Option	10	2,500.000	-	-	2,500.000
IIFL Dividend Opportunities Index Fund	Growth Option	10	17,969,430.000	13,732,746.098	5,159,323.118	26,542,852.980
IIFL Dividend Opportunities Index Fund	Dividend Option	10	3,302,890.000	1,911,653.915	867,527.956	4,347,015.959
IIFL Dividend Opportunities Index Fund	Direct Growth Option	10	-	272,024.531	1,988.821	270,035.710
IIFL Dividend Opportunities Index Fund	Direct Dividend Option	10	-	13,239.897	461.144	12,778.753
IIFL Fixed Maturity Plan - Series 6	Growth Option	10	121,467,166.500	-	-	121,467,166.500
IIFL Fixed Maturity Plan - Series 6	Dividend Option	10	246,500.000	-	-	246,500.000
IIFL Fixed Maturity Plan - Series 6	Direct Growth Option	10	500,500.000	-	-	500,500.000

2011-2012

Scheme	PLAN	Face Value	Opening Units	Units Sold / Switch in	Redemption / Switch out	Closing Unit
IIFL NIFTY ETF	Growth Option	10	662,487.000	120,000.000	420,000.000	362,487.000
IIFL Fixed Maturity Plan - Series 1	Growth Option	10	31,530,879.000	-	-	31,530,879.000
IIFL Fixed Maturity Plan - Series 1	Dividend Option	10	57,440.000	-	-	57,440.000
IIFL Fixed Maturity Plan - Series 2	Growth Option	10	64,930,080.000	-	-	64,930,080.000
IIFL Fixed Maturity Plan - Series 2	Dividend Option	10	105,490.000	-	-	105,490.000
IIFL Fixed Maturity Plan - Series 3	Growth Option	10	47,936,570.000	-	-	47,936,570.000
IIFL Fixed Maturity Plan - Series 3	Dividend Option	10	2,500.000	-	-	2,500.000

5 Prior Period Comparatives

For IIFL Dividend Opportunities Index Fund and IIFL Fixed Maturity Plan - Series 6 as these are the first Financial Statements since the date of its launch, there are no comparatives for the prior period. Further for IIFL Nifty ETF, IIFL Fixed Maturity Plan - Series 1, IIFL Fixed Maturity Plan - Series 2 and IIFL Fixed Maturity Plan - Series 3 previous year figures are for the period other than a financial year hence figures are not comparable.

6 Contingent Liability :As of March 31, 2013: **NIL**As of March 31, 2012: **NIL****7 Unit-holders can obtain from the mutual fund a copy of the Annual Report of the scheme in which he /she /it has invested.****8 Expenses other than management fees are inclusive of service tax where applicable.****9 The annual financials of the scheme(s) have been approved by the Board of Directors of India Infoline Asset Management Company Limited and India Infoline Trustee Company Limited at their Board Meeting(s) held on July 19, 2013.**

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KEY STATISTICS FOR THE PERIOD ENDED 31.03.13

	IIFL NIFTY ETF		IIFL Fixed Maturity Plan - Series 1		IIFL Fixed Maturity Plan - Series 2		IIFL Fixed Maturity Plan - Series 3		IIFL Dividend Opportunities Index Fund		IIFL Fixed Maturity Plan - Series 6	
	Year ended 31.03.2013	Period ended 31.03.2012	Year ended 31.03.2013	Period ended 31.03.2012	Year ended 31.03.2013	Period ended 31.03.2012	Year ended 31.03.2013	Year/Period ended 31.03.2012	Year ended 31.03.2013	Period ended 31.03.2012	Year ended 31.03.2013	Period ended 31.03.2012
1. NAV per unit (Rs.): Declared NAV excluding Load												
Open												
Dividend Option	NA	NA	10.1322	10.0000	10.0962	10.0000	9.9953	10.0000	10.0000	-	10.0000	-
Growth Option	529.4328	503.7500	10.1322	10.0000	10.0962	10.0000	9.9953	10.0000	10.0000	-	10.0000	-
Direct Dividend Option	NA	NA	NA	NA	NA	NA	NA	NA	10.0000		NA	
Direct Growth Option	NA	NA	NA	NA	NA	NA	NA	NA	10.0000		10.0000	-
High												
Dividend Option	NA	NA	11.1311**	10.1322 **	11.0937**	10.0962 **	11.0094**	10.0000	11.9689	-	10.0881	-
Growth Option	615.4356	560.1113	11.1311**	10.1322 **	11.0937**	10.0962 **	11.0094**	10.0000	11.9689	-	10.0881	-
Direct Dividend Option	NA	NA	NA	NA	NA	NA	NA	NA	11.9941		NA	
Direct Growth Option	NA	NA	NA	NA	NA	NA	NA	NA	11.9941		10.0884	
Low												
Dividend Option	NA	NA	10.1394	9.9781	10.1153	10.0000	10.0289	9.9953 **	9.8994	-	10.0000	-
Growth Option	483.1797	453.6495	10.1394	9.9781	10.1153	10.0000	10.0289	9.9953 **	9.8994	-	10.0000	-
Direct Dividend Option	NA	NA	NA	NA	NA	NA	NA	NA	10.3868		NA	
Direct Growth Option	NA	NA	NA	NA	NA	NA	NA	NA	10.3868		10.0000	
End **												
Dividend Option	NA	NA	11.1311	10.1322	11.0937	10.0962	11.0094	9.9953	10.5558	-	10.0881	-
Growth Option	575.7070	529.4328	11.1311	10.1322	11.0937	10.0962	11.0094	9.9953	10.5558	-	10.0881	-
Direct Dividend Option	NA	NA	NA	NA	NA	NA	NA	NA	10.5571		NA	
Direct Growth Option	NA	NA	NA	NA	NA	NA	NA	NA	10.5571		10.0884	
2. Closing Assets Under Management (Rs. in Lakhs)												
End	1,194.52	1,919.13	3,516.12	3,200.58	7,214.86	6,566.14	5,277.82	4,791.64	3,290.52		12,329.06	
Average (AAuM)	1,816.25	2,971.51	3,359.37	3,177.00	6,911.41	6,525.66	5,047.80	4,791.29	2,420.07		12,301.68	
3. Gross income as % of AAuM	10.16%	1.72%	9.53%	7.13%	9.73%	9.63%	9.68%	-13.98%	6.14%		54.03%	
4. Expense Ratio:												
a. Total Expense as % of AAuM												
Regular Plan	0.25%	0.25%	0.39%	0.45%	0.35%	0.32%	0.05%	0.04%	1.64%		0.65%	
Direct Plan	NA	NA	NA	NA	NA	NA	NA	NA	0.94%		0.45%	
b. Management Fee as % of AAuM												
Regular Plan	0.04%	0.05%	0.31%	0.42%	0.27%	0.29%	0.01%	0.00%	0.59%		0.36%	
Direct Plan	NA	NA	NA	NA	NA	NA	NA	NA	0.55%		0.36%	
5. Net Income as % of AAuM	9.91%	1.47%	9.39%	6.68%	9.39%	9.31%	9.63%	-14.02%	3.44%		0.87%	
6. Portfolio turnover ratio	0.32	0.52	NA	NA	NA	NA	NA	NA	0.28		NA	
7. Total Dividend per unit distributed during the year/period												
Individual & HUF												
Dividend	NA	NA	-	-	-	-	-	-	-		-	
Others												
Dividend	NA	NA	-	-	-	-	-	-	-		-	
8. Returns:												
a. Last One Year												
Scheme	8.77%	NA	9.83%	NA	9.86%	NA	10.01%	NA	NA		NA	
Benchmark	7.33%	NA	9.08%	NA	9.08%	NA	9.08%	NA	NA		NA	
b. Since Inception												
Scheme	9.67%	5.10% #	9.36%	1.32% #	10.21%	0.96% #	9.98%	-0.05% #	5.57% #		0.88% #	
Benchmark	8.69%	5.12% #	8.92%	1.5% #	9.03%	0.5% #	9.05%	0.00% #	4.94% #		0.04% #	
Benchmark Index	S&P CNX Nifty Index	S&P CNX Nifty Index	CRISIL Short Term Bond Fund Index	CRISIL Short Term Bond Fund Index	CRISIL Short Term Bond Fund Index	CRISIL Short Term Bond Fund Index	CRISIL Short Term Bond Fund Index	CRISIL Short Term Bond Fund Index	CNX Dividend Opportunities Index		CRISIL Short Term Bond Fund Index	

(*)# Since IIFL Funds has not completed one year, returns are computed in absolute terms from the date of launch.

** Computed NAV for 31st Mar'13.

The above abridged financial statement are derived out of audited financial statement, however the same has not been audited.

Mutual Fund Investments are subject to market risks, read all Scheme related documents carefully

PS: As per our records, on the date of posting of this Abridged Annual Report, certain investors have not encashed their refund or redemption warrants/demand drafts and the said amount remains unclaimed in our account. We request you kindly check your records and if any amount is unclaimed, you may call our Investor Services Centre toll free at 18002002267 for claiming the same.

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IIFL Centre, 3rd Floor Annex, Kamala City, S. B. Marg, Lower Parel, Mumbai - 400 013

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