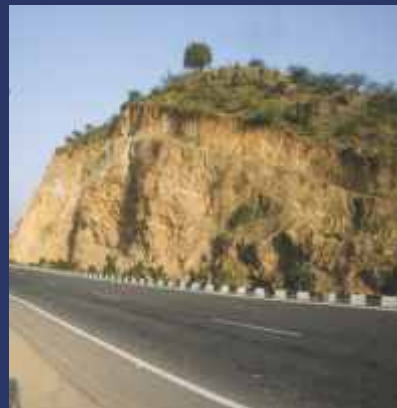




IIFCL Asset
Management
Company Limited

ANNUAL REPORT 2013-14



**IIFCL ASSET MANAGEMENT
COMPANY LIMITED**

(A wholly Owned Subsidiary of IIFCL, A Government of India Enterprise)

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Statutory Auditors

M/s Virender K. Gupta & Co, Chartered Accountants
 2nd Floor, MCD Building, D.B Gupta Road,
 Paharganj, New Delhi-110055
 Phone : 011-23583959, 23583216

Registered Office

9th Floor, Hindustan Times House Building,
 18&20, Kasturba Gandhi Marg,
 New Delhi-110001
 Phone: 011-43717125/43717126
www.iifclmf.com
 CIN :U65991DL2012GOI233601
 Email:complianceofficer@iifclmf.com

Bankers

IDBI Bank Limited

NOTICE

NOTICE IS HEREBY GIVEN THAT THE SECOND ANNUAL GENERAL MEETING OF THE MEMBERS OF IIFCL ASSET MANAGEMENT COMPANY LIMITED WILL BE HELD ON MONDAY THE 30TH JUNE, 2014 AT 11.00 A.M AT THE BOARD ROOM OF INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED (IIFCL), 8TH FLOOR, H.T. HOUSE BUILDING, 18 & 20 KASTURBA GANDHI MARG, NEW DELHI-110001.

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Balance Sheet as on 31st March 2014 and the Profit and Loss Account for the year ended 31st March, 2014 together with the Report of the Board of Directors and Auditor's report thereon.
- 2) Pursuant to Section 619(2) of Companies Act, 1956, the Auditors of a Government Company are to be appointed or re-appointed by the Comptroller and Auditor General of India (C&AG) and in terms of Section 224(8) (aa) of the Companies Act, 1956, their remuneration has to be fixed by the Company in Annual General Meeting. The Members of the Company in the 1st Annual General Meeting held on Wednesday, 19th June, 2013 had authorized the Board of Directors to fix the remuneration of Statutory Auditors for the financial year 2013-14. Accordingly, the Board of Directors had fixed audit fee of ₹ 25000 (Rupees twenty five thousand only) plus service tax for audit of the Financial Year 2013-14.

Pursuant to section 139(1) of the Companies Act, 2013, the Statutory Auditors of the Company for the year 2014-15 will be appointed by C&AG of India. The members may authorize the Board of Directors to fix an appropriate remuneration of Auditors as may be deemed fit by the Board.

By Order of the Board of Directors
FOR IIFCL ASSET MANAGEMENT COMPANY LIMITED

Place: New Delhi
Date : 4th June, 2014

Ajay PS Saini
Head- Company Secretariat & Companies

REGISTERED OFFICE

9th Floor, HT House,
18 & 20 Kasturba Gandhi Marg,
New Delhi-110001
Ph: 011-43717125/26
Email: complianceofficer@iifclmfcom
[www: iifclmf.com](http://www.iifclmf.com)
CIN: U65991DL2012GOI233601

NOTES: -

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2) THE PROXY FORM, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. (PROXY FORM ATTACHED)

IIFCL ASSET MANAGEMENT COMPANY LIMITED
DIRECTORS' REPORT

To

The Shareholders

The Directors of IIFCL Asset Management Company Limited (IAMCL) have great pleasure in presenting the Second Annual Report of the company with audited statements of accounts for the financial period ended 31st March, 2014 along with report of the Statutory Auditors and the Comptroller and Auditor General of India thereon.

Financial Results

The summary of financial results of the company for the period ended 31st March, 2014 is as under:

(₹ in lacs)

SUMMARISED STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31st MARCH, 2014			
PARTICULARS	Figures for the period ended 31st March, 2014	Figures for the period ended 31st March 2013	Growth (%)
Total Revenue	158.72	87.37	82%
Total Expenses	119.68	79.70	50%
Operating Profit	39.04	7.67	409%
Exceptional Items	-	-	
PROFIT BEFORE TAX	39.04	7.67	409%
Tax Expense	12.72	2.34	444%
PROFIT FOR THE YEAR	26.32	5.33	394%
Earnings per equity share (face value of ₹ 10/- each)(in₹)	0.21	0.04	425%

Your company's revenue during the year under review increased by 82% and posted a net profit after tax of ₹ 26.32 lakhs for the year ended 31st March, 2014 compared to profit after tax of ₹ 5.33 lakhs during the year ended 31st March, 2013.

Infrastructure Debt Fund

In order to meet the estimated investment of \$1 Trillion for the growth of infrastructure sector as per the 12th Five Year Plan, infrastructure projects require long-term financing at a reasonable cost. To address this, Government of India has initiated steps through promotion of Infrastructure Debt Funds (IDFs) in the country. The Government of India has allowed for setting up of Infrastructure Debt Funds (IDFs) through the Mutual Fund route regulated by Securities and Exchange Board of India (SEBI) and NBFC route regulated by Reserve Bank of India (RBI). Your company launched its IDF through the Mutual Fund route with India Infrastructure Finance Company Limited (IIFCL) as its sponsor.

IIFCL Asset Management Company Limited and IIFCL Mutual Fund are registered with SEBI in January, 2013. IIFCL Mutual Fund complied with all the conditions stipulated by SEBI prior to launch of its maiden IDF Scheme.

The Board of Trustees of IIFCL Mutual Fund (IDF) were fit and proper person as duly approved by the SEBI and it comprises as under:

- | | | |
|----|--------------------|---|
| 1. | Shri. Sanjeev Ghai | Chairman |
| 2. | Shri. A.K Jain | Representative of Oriental Bank of Commerce |
| 3. | Shri. B. Mondal | Representative of Central Bank of India |
| 4. | Shri. H.K. Parekh | Representative of Punjab National Bank |

Pursuant to IIFCL Mutual Fund fulfilling the condition as stipulated and subsequent inspection by SEBI in December, 2013, the maiden IDF scheme of IIFCL Mutual Fund (IDF) was launched through private placement route in the name of “IIFCL Mutual Fund Infrastructure Debt Fund Series I” on 31st December, 2013 and the scheme was fully subscribed and closed on 6th February, 2014. The maiden scheme successfully raised ₹300 Crore. On full subscription, the scheme achieved the distinction of being the first IDF Mutual Fund in the country to be listed on the Bombay Stock Exchange (BSE).

The “IIFCL Mutual Fund's Infrastructure Debt Fund Series –I” i.e the first Scheme has identified four operating infrastructure projects (two coal based power and two wind power projects) for its initial investment to the tune of ₹ 225 crore and compliances are in process to subscribe to the project Non-Convertible Debentures. The activities for fund raising for the second scheme have been started and it is planned to raise ₹ 750 crore to ₹ 2000 crore during the Financial Year 2014-15 from various international and domestic investors.

Board of Directors

The composition of Board of Directors of your company as on date is as under:

Name and Designation	Category	Date of appointment
Shri S.B Nayar Chairman & Director	Director	12 th December, 2013
Dr. E.S. Rao Director & CEO, IAMCL	Director	28 th March, 2012
Shri Rajeev Mukhija Director & CFO & CS, IIFCL	Director	28 th March, 2012
Shri M N Sarma Director & General Manager, The Oriental Insurance Company Limited	Independent Director	9 th December, 2013
Dr. Pawan Singh Director & CFO, PTC India Financial Services Limited	Independent Director	14 th August, 2012
Shri. A. C. Chaturvedi ED, Power Management Institute set up by NTPC	Independent Director	13 th August, 2012

Board Meetings during the period

During the period under review, the Board of Directors of your company met 5 times on 3rd May, 2013, 21st June 2013, 30th September, 2013, 20th December, 2013 and 25th March 2014.

Audit Committee of the Board

The Board of Directors of your company has also constituted an Audit Committee prescribed under section 292A of the Companies Act, 1956. The Constitution of the Audit Committee as on date is as under:

Name	Designation
Shri. Rajeev Mukhija	Director
Shri. M N Sarma	Independent Director
Dr. Pawan Singh	Independent Director

During the financial period ended 31st March, 2014, the Audit Committee of the Board met once on 3rd May, 2013.

Infrastructure facilities & manpower

To comply with the SEBI Regulations, your company has set up necessary infrastructure facilities to manage Infrastructure Debt Fund (IDF) set up as Mutual Fund.

The Board of Directors of your company has also reconstituted a Recruitment & Remuneration Committee comprising Shri. S.B. Nayar, Chairman, IAMCL, Dr. E.S. Rao, Director & CEO, IAMCL and Shri. A.C. Chatruvedi, Independent Director, IAMCL for recruitment of manpower required for carrying out activities of your company.

Deposits

During the year under review, the Company has not accepted any deposits under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules, 1975.

Conservation of Energy and Technology Absorption

The company is engaged in asset management business and not manufacturing hence, the disclosure of particulars regarding Conservation of Energy is not applicable. However, efforts are made to take appropriate energy efficient measures in the office to ensure conservation of energy. The activities of company do not involve any technology absorption.

Foreign Exchange Earning and outgo

Information in accordance with Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 : Nil

Particulars of Employees

The employee's relations during the year remain peaceful and cordial. The Company had no employees during the year under review whose particulars are required to be given under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

Right to Information Act, 2005

During the year under review, the Company had received nil application under the Right to Information Act, 2005.

Official Language

Efforts were made during the year towards encouraging use of Hindi in Official transactions as also to ensure compliance of the provisions of Official Language Act, 1963.

Comments of the Statutory Auditors/ Comptroller & Auditor General of India on Annual Accounts

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The comments of the Comptroller & Auditor General of India under Section 619(4) of the Companies Act, 1956, is annexure to this Report.

Directors' Responsibility Statement

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956 with respect to Director's Responsibility Statement, it is hereby confirmed:

- (a) that in the preparation of Annual Accounts for the financial period ended 31st March, 2014 the applicable accounting standard had been followed along with the proper explanation relating to material departure
- (b) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial period and of the profit or loss of the company for the period under review.
- (c) that the Directors had taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities
- (d) that the Directors had prepared the accounts for the financial period ended 31st March, 2014 on a going concern basis.

Statutory Auditors

M/s Virender K. Gupta & Co. Chartered Accountants were appointed as Statutory Auditors of IIFCL Asset Management Company Limited for the financial period ending 31st March, 2014 by the Office of Comptroller & Auditor General of India.

Acknowledgements

The Board of Directors of your company is thankful to the Central Government particularly the Ministry of Finance, Securities and Exchange Board of India (SEBI), Bombay Stock Exchange, AMFI, Banks, Financial Institutions for providing necessary support in path breaking initiative to establish IDFs in the country. The Board is also thankful to the Comptroller and Auditor General of India and the Auditors of the Company for their valuable guidance and advice.

Your company places on record its sincere gratitude to the Board of Trustees of IIFCL Mutual Fund, whose guidance and valuable direction will enable it to tread the path towards the objective.

**BY ORDER OF THE BOARD OF DIRECTORS
FOR IIFCL ASSET MANAGEMENT COMPANY LIMITED**

Place : New Delhi
Date : 4th June, 2014

(S. B NAYAR)
Chairman and Director
DIN: 02175871

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF IIFCL ASSET MANAGEMENT COMPANY LIMITED FOR THE YEAR ENDED 31st MARCH, 2014.

The preparation of financial statements of IIFCL Asset Management Company Limited, New Delhi for the year ended 31st March, 2014 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the Standards on Auditing prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 30th April, 2014.

I, on behalf of the Comptroller and Auditor General of India, have decided not to review the report of the Statutory Auditors on the accounts of IIFCL Asset Management Company Limited, New Delhi for the year ended 31st March, 2014 and as such have no comments to make under Section 619(4) of the Companies Act, 1956.

For and on the behalf of the
Comptroller & Auditor General of India

(Tanuja S. Mittal)
Principal Director of Commercial Audit &
Ex-officio Member Audit Board - III,
New Delhi

Place : New Delhi
Dated : 3rd June, 2014

Independent Auditor's Report

To the Members of
IIFCL ASSET MANAGEMENT COMPANY LIMITED
NEW DELHI.

We have audited the accompanying financial statements of **IIFCL ASSET MANAGEMENT COMPANY LIMITED, DELHI** ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, 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 together with notes thereon 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014,
- (b) in the case of the Statement of Profit & Loss, of the Profit for the year ended on that date; and
- (c) 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") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 and 5 of the said 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 sub section (3C) of section 211 of the Companies Act, 1956;
 - (e) the requirement of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 relating to disqualification of directors is not applicable to the Company, being a Government company, in terms of Notification No. G.S.R.829(E), dated 21.10.2003 issued by Ministry of Finance, Department of Company Affairs.

FOR: M/S. VIRENDER K. GUPTA & CO.
Chartered Accountants
(FRN: 000198N)

Place : New Delhi
Date : 30th April, 2014

V. K. Gupta
(Partner)
M.No. : 080585

(i) In Respect of Fixed Assets

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) All the fixed assets have been physically verified by the management at the end of the year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the company and nature of its business. We have been informed that no material discrepancies were noticed on such physical verification.
 - (c) During the year company has not disposed off a substantial part of the fixed assets.
- iii. The company has neither granted nor taken any loan, secured or unsecured to/ from companies, firms or other parties covered in the register maintained under section 301 of the Act.
- iv. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory & fixed assets and for sale of goods and services. Further, during the course of our audit, we have neither come across nor have we been informed of any significant continuing failure to correct major weaknesses in such internal control.
- V. (a) In our opinion and according to the information and explanation given to us the company has entered the transactions in register as per section 301 of the Act.
- (b) In our opinion and according to the information and explanation given to us the transactions made in pursuance of contracts or arrangements entered in register maintained under section 301 of the Act have been made at prices which are reasonable having regard to the market price of such transaction, prevailing at the relevant time.
- vi. The company has not accepted any deposits from the public within the meaning of section 58A & 58AA of the Act and the rules framed there under
- vii. In our opinion, the company has an internal audit system that commensurate with the size and nature of its business.

In Respect of statutory dues

- (a) According to the information's and explanation given by the management, the Books of Accounts of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise duty, Cess and any other statutory dues applicable to it have been generally and regularly deposited with the appropriate authorities. There was no outstanding statutory dues as at 31st March 2014, for a period of more than Six Months from the date they became payable.
 - (b) According to the information and explanation given to us there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of any dispute.
- x. Being the company not registered, for a period not less than 5 years. Hence the clause is not applicable.
- xi. As per information and explanation given the company has not defaulted any repayment of due to any financial institution, bank or debenture holder.
- xii. According to the information and explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities
- xiii. In our opinion the company is not a Chit fund or a Nidhi /Mutual Benefit fund/ societies. Hence the clause not applicable.

- (xiv) The company is not dealing or trading in shares, securities, debenture or other investments.
- (xv) According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) On the basis of an overall examination of the balance sheet of the company, in our opinion and according to the information and explanations given to us. There are no funds raised on a short term basis, which have been used for long-term investment.
- (xvii) The company has not issued any debentures during the financial year.
- (xviii) During the financial year the company has not raised any money by way of public issue.
- (xix) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the financial year.

The para no. 4 (ii), (viii), (xvi) & (xviii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.

**FOR VIRENDER K GUPTA & CO.
CHARTERED ACCOUNTANTS
(FRN: 000198N)**

Place : New Delhi
Date : 30th April, 2014

(V.K. GUPTA)
Partner
M.No-080585

IIFCL ASSET MANAGEMENT COMPANY LIMITED
BALANCE SHEET AS AT 31st MARCH, 2014

(In ₹)			
PARTICULARS	Notes	As at 31 st March, 2014	As at 31 st March, 2013
I EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	2	1250,00,000.00	1250,00,000.00
(b) Reserves and Surplus	3	31,64,591.93	5,32,688.15
(c) Money received against share warrants		-	-
SUB-TOTAL (1)		1281,64,591.93	1255,32,688.15
(2) Share application money pending allotment-			
SUB-TOTAL (2)		-	-
(3) Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other long term liabilities		-	-
(d) Long-term provisions		-	-
SUB-TOTAL (3)		-	-
(4) Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables		-	-
(c) Other current liabilities	4	174,85,591.57	71,40,393.85
(d) Short-term provisions	5	9,50,000.00	4,85,000.00
SUB-TOTAL (4)		184,35,591.57	76,25,393.85
TOTAL (1)+(2)+(3)+(4)		1466,00,183.50	1331,58,082.00
II ASSETS			
(1) Non-current assets			
(a) Fixed Assets			
(i) Tangible assets	6	3,78,982.85	-
(ii) Intangible assets		-	-
(iii) Capital Work -in-Progress		-	-
(iv) Intangible Assets under development		-	-
(b) Deferred Tax Assets (Net)	7	6,65,015.65	2,50,575.00
(c) Non-current investments		-	-
(d) Other non-current assets		-	-
SUB-TOTAL (1)		10,43,998.50	2,50,575.00
(2) Current assets			
(a) Current Investments		-	-
(b) Trade Receivables		-	-
(c) Cash and Bank Balances	8	1312,15,650.00	1241,70,000.00
(d) Short term loans and advances		-	-
(e) Other current assets	9	143,40,535.00	87,37,507.00
SUB-TOTAL (2)		1455,56,185.00	1329,07,507.00
See accompanying significant accounting policies and notes to the financial statements	1 to 22		
TOTAL (1)+(2)		1466,00,183.50	1331,58,082.00
For Virendra K Gupta & Co. (Chartered Accountants) FRN No. - 000198N		For on or behalf of Board of Directors	
V. K. Gupta Partner M. No. - 80585 Place: New Delhi Date: 30 th April, 2014	S B Nayar (Chairman & Director) DIN -02175871	Dr. E S Rao (Director & CEO) DIN -05184747	Ajay PS Saini (Company Secretary)

IIFCL ASSET MANAGEMENT COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(In ₹)

S.No.	Particulars	Note	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
I.	Revenue from operations	10	15,832,160.00	8,737,507.00
II.	Other Income		39,500.00	-
III.	Total Revenue (I+II)		15,871,660.00	8,737,507.00
IV.	Expenses			
	Employee Benefits Expense	11	3,005,998.57	1,337,810.85
	Depreciation and amortisation expense	12	23,215.15	1,013,654.00
	Other Expenses	13	8,938,753.15	5,618,929.00
	Total Expenses		11,967,966.87	7,970,393.85
V.	PROFIT BEFORE EXCEPTIONAL AND EXTRA-ORDINARY ITEMS AND TAX (III-IV)		3,903,693.13	767,113.15
VI.	Exceptional Items		-	-
VII.	PROFIT BEFORE EXTRA - ORDINARY ITEMS AND TAX (V-VI)		3,903,693.13	767,113.15
VIII.	EXTRA - ORDINARY ITEMS		-	-
IX.	PROFIT BEFORE TAX (VII-VIII)		3,903,693.13	767,113.15
X.	Tax Expense:			
(1)	Current Tax			
	- Current Period		950,000.00	485,000.00
	- Earlier Period		736,230.00	
(2)	Deferred Tax			
	- Current Period		261,497.35	(250,575.00)
	- Earlier Period		(675,938.00)	
XI.	Profit for the year from continuing operations (IX-X)		2,631,903.78	532,688.15
XII.	Profit from discontinuing operations		-	-
XIII.	Tax expense of discontinuing operations		-	-
XIV.	Profit from discontinuing operations (after tax) (XII-XIII)			
XV.	Profit for the period (XI+XIV)		2,631,903.78	532,688.15
XVI.	Earnings per equity share (face value of ₹ 10/- each)			
(1)	Basic		0.21	0.04
(2)	Diluted		0.21	0.04
See accompanying significant accounting policies and notes to the financial statements		1 to 22		

For Virendra K Gupta & Co. For on or behalf of Board of Directors
(Chartered Accountants)

FRN No. - 000198N

V. K. Gupta

Partner

M. No. - 80585

Place: New Delhi

Date: 30th April, 2014

S B Nayar
(Chairman & Director)

DIN -02175871

Dr. E S Rao
(Director & CEO)

DIN -05184747

Ajay PS Saini
(Company Secretary)

IIFCL ASSET MANAGEMENT COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

PARTICULARS		(In ₹)	(In ₹)
		For the year ended 31st March, 2014	For the year ended 31st March, 2013
A CASHFLOW FROM OPERATING ACTIVITIES			
(i) Net Profit after Tax		26,31,903.78	5,32,688.15
Adjustments for:			
(ii) Depreciation and amortisation expense		23,215.15	-
(iii) Provisions/ Amounts written back		12,71,789.35	4,85,000.00
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		39,26,908.28	10,17,688.15
(i) (Increase)/decrease in Current Assets, Loans & Advances		(56,03,028.00)	(1330,53,022.00)
(ii) Increase/(decrease) in other non- current and current liabilities		103,45,197.72	71,40,393.85
CASH FLOW FROM OPERATIONS BEFORE TAX		86,69,078.00	(1248,94,940.00)
Taxes paid (Net)		12,21,230.00	-
NET CASH FROM OPERATIONS	A	74,47,848.00	(1248,94,940.00)
B CASHFLOW FROM INVESTING ACTIVITIES			
(i) (Purchase of)/ Sale for Fixed Assets		(4,02,198.00)	-
(ii) Investments in Fixed Deposits		(70,85,872.00)	-
NET CASH FROM INVESTING ACTIVITIES	B	(74,88,070.00)	-
C CASHFLOW FROM FINANCING ACTIVITIES			
(i) Proceeds from Issue of Share Capital		-	1250,00,000.00
NET CASH FROM FINANCING ACTIVITIES	C	-	1250,00,000.00
NET CHANGE IN CASH & CASH EQUIVALENT (A+B+C)		(40,222.00)	1,05,060.00
Add: Opening Cash and Cash Equivalent		1,05,060.00	-
Closing Cash and Cash Equivalent		64,838.00	1,05,060.00
Closing Cash and Cash Equivalent Comprises of :-			
1 Cash in hand		60.00	60.00
2 Current Accounts in India		64,778.00	1,05,000.00
3 Flexi Deposit Accounts		-	-
TOTAL		64,838.00	1,05,060.00

For Virendra K Gupta & Co.
(Chartered Accountants)
FRN No. - 000198N

V. K. Gupta
Partner
M. No. - 80585
Place: New Delhi
Date: 30th April, 2014

SB Nayar
(Chairman & Director)
DIN : 02175871

Dr. E S Rao
(Director & CEO)
DIN : 05184747

Ajay PS Saini
(Company Secretary)

For on or behalf of Board of Directors

IIFCL ASSET MANAGEMENT COMPANY LIMITED

NOTES TO ACCOUNTS

Notes on financial statements for the period ended 31st March, 2014

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES:

1.1 Background

IIFCL Asset Management Company Limited incorporated under the Companies Act, 1956 vide Certificate of Incorporation dated 28th March, 2012, issued by Registrar of Companies, Delhi & Haryana and Certificate of commencement of the business dated 13th April, 2012. The company's principal activity is to carry on the business of Investment Management or to act as Asset Management Company and/or to administer mutual fund.

1.2 Basic of Preparation

The financial statements are prepared in accordance with the generally accepted accounting principles and the mandatory accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956. The company follows mercantile system of accounting and recognizes items of Income and Expenditure on accrual basis.

1.3 Revenue Recognition

- (i) Revenue from Management Fees charged from IIFCL Mutual Fund (IDF) is recognized on Assets Under Management basis (AUM) on accrual basis.

Note: Management fees recognized at specified rate provided in the offer document of the relevant scheme applied on the average daily net assets of scheme on accrual basis as per SEBI (Mutual Funds) Regulations, 1996.(inclusive of service tax)

- (ii) Revenue from Interest Income is recognized using the time proportion method, based on the rates implicit in the transaction.

1.4 Fixed Assets

Fixed Assets are stated on cost of acquisition including incidental costs related to their acquisition/ installation less accumulated depreciation.

1.5 Depreciation

Depreciation on Fixed assets has been provided on straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956, except Plant & Machinery whose amount is less than ₹ 5,000 and 100% depreciation charged on it.

1.6 Provision for Taxation

Provision for Income Tax made in accordance with the provisions of Income Tax Act, 1961. Provision for Deferred Tax Asset is made based in accordance with Accounting Standard (AS)-22, issued by the Institute of Chartered Accountants of India.

NOTE TO THE FINANCIAL STATEMENTS

NOTE 2 : SHARE CAPITAL

(In ₹.)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
Authorized Capital 15,000,000 equity shares of ₹10/- each	1500,00,000.00	1500,00,000.00
Issued, Subscribed & Fully Paid Equity Shares 12,500,000 equity shares of ₹10/- each	1250,00,000.00	1250,00,000.00

Footnotes:

a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	31 st March, 2014		31 st March, 2013	
	No. of Shares	₹	No. of Shares	₹
Shares outstanding at the beginning of the reporting period	125,00,000	1250,00,000.00	125,00,000	1250,00,000.00
Shares Issued during the reporting period	-	-	-	-
Shares outstanding at the end of the reporting period	125,00,000	1250,00,000.00	125,00,000	1250,00,000.00

b) Details of Shares Holding More than 5%

99.999 % equity shares of the company are held by India Infrastructure Finance Company limited (Holding Co.)

NOTE 3 : RESERVES & SURPLUS

(In ₹)

Particulars	As at 31 st March, 2014	As at 31 st March, 2013
SURPLUS IN PROFIT AND LOSS STATEMENT		
Opening Balance	5,32,688.15	-
Add: Net Profit during the year	26,31,903.78	5,32,688.15
Closing Balance	31,64,591.93	5,32,688.15
TOTAL	31,64,591.93	5,32,688.15

NOTE 4 : OTHER CURRENT LIABILITIES

S.No.	Particulars	As at 31 st March, 2014	(In ₹) As at 31 st March, 2013
	Other payables		
(i)	Duties & Taxes payable (Refer Note 14)	2,18,687.85	3,079.00
(ii)	Others (Expenses incurred by IIFCL)	163,87,469.40	71,00,504.85
(iii)	Bindra Prasad Mishra	999.00	-
(iv)	Innovative Signage	900.00	-
(v)	Miles Software	1,87,267.00	-
(vi)	Telephone Expenses	4,121.42	-
(vii)	SEBI Annual Charges	2,50,000.00	-
(viii)	M/s A.R. & Co	9,000.00	8,990.00
(ix)	Aim Global Solutions Private Limited	3,528.00	-
(x)	Thomsons Reuters India Private Limited	1,89,566.00	-
(xi)	M/s Virender K. Gupta & Co	63,975.00	27,820.00
(xii)	M/s G A M & Co.	8,100.00	-
(xiii)	CITI Bank	7,044.66	-
(xiv)	Square Communication Private Limited	(968.00)	-
(xv)	M/s Perfect10 Advertising	(323.00)	-
(xvi)	NPS Payable	1,56,224.24	-
	SUB-TOTAL	174,85,591.57	71,40,393.85
	TOTAL	174,85,591.57	71,40,393.85

NOTE 5 : SHORT TERM PROVISIONS

S.No.	PARTICULARS	As at 31 st March, 2014	(In ₹.) As at 31 st March, 2013
(I)	Income Tax	9,50,000.00	4,85,000.00
	TOTAL	9,50,000.00	4,85,000.00

IFCL ASSET MANAGEMENT COMPANY LIMITED

SCHEDULE OF FIXED ASSETS AS ON 31ST MARCH, 2014

NOTE - 6

(In ₹)

PARTICULARS	RATE OF DEPRECIATION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		COST AS ON 31.03.2013	ADDITIONS DURING THE YEAR	SALE/ ADJUSTMENT	TOTAL COST AS ON 31.03.2014	UP TO 31.03.2013	DURING THE YEAR	SALE/ ADJUSTMENT	UP TO 31.03.2014	AS AT 31.03.2014	AS AT 31.03.2013
TANGIBLE ASSETS											
Telephone Sets	100.00%	-	2,518.00	-	2,518.00	-	2,518.00	-	2,518.00	-	-
Wireless Router	100.00%	-	950.00	-	950.00	-	950.00	-	950.00	-	-
COMPUTER & OTHER PERIPHERALS	40.00%	-	3,98,730.00	-	3,98,730.00	-	19,747.15	-	19,747.15	3,78,982.85	-
TOTAL (₹)		-	4,02,198.00	-	4,02,198.00	-	23,215.15	-	23,215.15	3,78,982.85	-

NOTE 7 : DEFERRED TAX ASSETS

(In ₹)

S.No.	Particulars	As at 31 st March, 2014	As at 31 st March, 2013
A.	Deferred Tax Assets	6,65,015.65	2,50,575.00
	TOTAL	6,65,015.65	2,50,575.00

NOTE 8 : CASH AND BANK BALANCES

(In ₹)

S.No.	Particulars	As at 31 st March, 2014	As at 31 st March, 2013
(A)	CASH AND CASH EQUIVALENTS		
(i)	IDBI Bank Ltd	64,778.00	1,05,000.00
(ii)	Cash in hand	60.00	60.00
	SUB-TOTAL (A)	64,838.00	1,05,060.00
(B)	OTHER BANK BALANCES		
(i)	Fixed Deposits with IDBI Bank Ltd. (Unencumbered)	1311,50,812.00	1240,64,940.00
	SUB-TOTAL (B)	1311,50,812.00	1240,64,940.00
	TOTAL (A)+(B)	1312,15,650.00	1241,70,000.00

NOTE 9 : OTHER CURRENT ASSETS

(In ₹)

S.No.	Particulars	As at 31 st March, 2014	As at 31 st March, 2013
A.	Interest accrued on FDR with banks	78,92,024.00	81,47,857.00
B.	IIFCL Mutual Fund (IDF)	45,64,694.00	-
C.	TDS Deducted	18,67,317.00	5,89,650.00
D.	Deferred Software Expenses	16,500.00	
	TOTAL	143,40,535.00	87,37,507.00

NOTE 10 : REVENUE FROM OPERATIONS

(In ₹)

S.No.	Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
1	Fees from Services rendered to IIFCL Mutual Fund (Net of Service Tax of ₹ 4,63,287)	37,48,280.00	-
2	Interest	120,83,880.00	87,37,507.00
	TOTAL	158,32,160.00	87,37,507.00

NOTE 11 : EMPLOYEE BENEFITS EXPENSES

(In ₹)			
S.No.	Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
1	Staff Salary	21,13,410.07	9,52,810.85
2	Director's Remuneration	8,92,588.50	3,85,000.00
	TOTAL	30,05,998.57	13,37,810.85

NOTE 12 : DEPRECIATION AND AMORTIZATION EXPENSES

(In ₹)			
S.No.	Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
1	Preliminary Expenses	-	10,13,654.00
2	Depreciation	23,215.15	-
	TOTAL	23,215.15	10,13,654.00

NOTE 13 : OTHER EXPENSES**(In ₹)**

Particulars	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
Office Expenses	88,525.00	43,316.00
Conveyance and Tours & Travelling Exp.	27,187.00	6,278.00
Advertising Expenses	93,055.65	1,46,210.00
AMC Charges	3,750.00	-
Bank Charges	5,618.00	-
Certification Charges	3,500.00	-
Interest on Late Payment of TDS	6,002.69	-
Legal & Professional Expenses	3,00,000.00	4,425.00
Membership Fees	5,25,000.00	-
NPS Payable (Employer's Contribution)	78,112.12	-
Penalty under Income Tax	9,400.00	-
Printing & Stationery	80,461.00	13,129.00
Professional Fees	1,20,937.00	42,242.00
Electricity Expenses	21,000.00	20,000.00
Recruitment Expenses	11,860.00	-
Rent	53,12,640.30	23,62,882.00
ROC Filing Fees	13,600.00	-
SEBI Annual Charges	2,50,000.00	-
SEBI Filing Fees	1,01,124.00	-
SEBI Registration Fees	-	25,00,000.00
Software Service Fees	4,16,172.00	-
Short & Excess	(1.89)	-
Software Rental	6,94,446.00	-
Stipend	46,684.00	8,000.00
Telephone Expenses	34,837.42	2,500.00
Internal Audit Fees	9,011.20	8,990.00
Payment to Auditor	62,500.00	48,877.00
Service Tax Input	(2,163.00)	-
Payment to Contractual Manpower Staff	-	4,07,080.00
Website Development Expenses	40,450.00	-
Accounting Charges	36,000.00	-
Fund Accounting Charges	7,044.66	-
Mutual Fund Rating Fees	5,00,000.00	-
Water Charges	42,000.00	5,000.00
Total	89,38,753.15	56,18,929.00

NOTE 14 : DUTIES & TAXES PAYABLE

(In ₹)

S.No.	Particulars	As at 31 st March, 2014	As at 31 st March, 2013
A.	Service Tax Payable (Net)	1,93,051.85	-
B.	TDS (Contractor) Payable	1,291.00	-
C.	TDS (Professional) Payable	24,345.00	3,079.00
	Total	2,18,687.85	3,079.00

NOTE - 15 : CONTINGENT LIABILITIES

Contingent liabilities as at 31st March, 2014 - Nil

Previous year - Nil

NOTE - 16

During the year, the company operationalized Mutual Fund through Board of Trustees named as "IIFCL Mutual Fund (IDF)" and Mutual Fund launched its maiden scheme named as "IIFCL Mutual Fund Infrastructure Debt Fund Series -I". The Company charged the management fees on the Asset Under Management (AUM) after deducting Mutual Fund expenses as per SEBI Regulations.

NOTE - 17

All the accounts, whether debit or credit, are subject to confirmation from parties concerned.

NOTE - 18 : PAYMENT TO AUDITOR

(In ₹)

Particulars	Amount	
	FY 2013-14	FY 2012-13
Statutory Audit Fees	25,000.00	10,000.00
Half Yearly Review	12,500.00	6,000.00
Income Tax Matters	10,000.00	7,500.00
Tax Audit Fees	15,000.00	-
Certification Charges	-	20,000.00
Total	62,500.00	43,500.00

NOTE - 19 : FOREIGN EXCHANGE EARNINGS & EXPENDITURE DISCLOSURESEarnings in Foreign Exchange for the year ended 31st March, 2014 - Nil

Previous Year - Nil

Expenditure in Foreign Exchange for the year ended 31st March, 2014 - Nil

Previous Year - Nil

NOTE - 20 : RELATED PARTY DISCLOSURE

Related Parties and Transactions:-

A. Enterprises

Name of Related Party

1	India Infrastructure Finance Company Limited (IIFCL)	(Holding Company)
2	IIFCL (UK) Limited	(Subsidiary of Holding Company)
3	IIFCL Projects Limited	(Subsidiary of Holding Company)

Key Mangement Personnel

1	Mr. S B Nayar	Chairman & Director	(appointed as Chairman & Director w.e.f. 12 th December 2013)
2	Dr. Harsh Kumar Bhanwala	Chairman & Director	(appointed as Chairman & Director for the period from 24 th June, 2013 to 23 rd Sep.,2013 and extended upto the date of assumption of charge by regular CMD of IIFCL) - (ceased to be Chairman & Director w.e.f. 12 th December, 2013)
3	Mr. Subodh Kumar Goel	Chairman & Director	(ceased to be Chairman & Director w.e.f. 23 rd June, 2013)
4	Dr. Emandi Sankara Rao	CEO & Director	
5	Mr. Avinash Chandra Chaturvedi	Director	
6	Dr. Pawan Singh	Director	
7	Mr. Sanjeev Kumar Chanana	Director	(ceased to be Director w.e.f. 31 st August, 2013)
8	Mr. Rajeev Mukhija	Director	
9	Mr. M N Sarma	Director	(appointed as Director w.e.f. 9 th December, 2013)

(B) Related party transactions during the year including reimbursement of expenses:- India Infrastructure Finance Company Limited (IIFCL)

(In ₹)

Particulars	Current Year	Previous Year
Rent	53,12,640	23,62,882
Amount Payable	1,63,87,469	71,00,504
Salary to IIFCL Employees	8,17,545	17,44,890
Subscription to Equity Shares	Nil	12,49,99,940

NOTE - 21 : DEFERRED TAX**(In ₹)**

Particulars	Amount	
	FY 2013-14	FY 2012-13
Depreciation under Companies Act	23,215.00	-
Preliminary Expenses charged in P &L A/c	-	10,13,654.00
SEBI Registration Fees charged in P&L A/c	-	-
Total	23,215.00	10,13,654.00
Less: Preliminary Expenses allowed	2,02,731.00	2,02,731.00
U/S 35AD Income Tax Act		
Less: Depreciation under Income Tax Act	6,66,754.00	-
	8,69,485.00	2,02,731.00
Difference	(8,46,270.00)	8,10,923.00
Opening Balance	2,50,575.00	-
Assets/ (Liability) Current Year (30.9% of ₹ 846270)	(2,61,497.00)	2,50,575.00
Adjustment For Previous Year	6,75,938.00	-
Total	6,65,016.00	2,50,575.00

NOTE - 22 :

Previous Years figures has been regrouped wherever it necessary.

For Virendra K Gupta & Co.
(Chartered Accountants)

FRN No. - 000198N

V. K. Gupta
Partner
M. No. - 80585
Place : New Delhi
Date: 30th April, 2014

For on or behalf of Board of Directors

S B Nayar
(Chairman & Director)
DIN-02175871

Dr. E S Rao
(Director & CEO)
DIN-05184747

Ajay PS Saini
(Company Secretary)

Form No. MGT-11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : U65991DL2012G01233601

Name of the Company: IIFCL Asset Management Company Limited

Registered office: 9th Floor, HT House, 18&20 Kasturba Gandhi Marg, New Delhi-110001.

Name of the member(s):

Registered Address:

Email Id:

Folio No/Client Id:

DP ID:

I/we, being the member(s) of _____ shares of the above named company, hereby appoint

1. Name: _____
Address: _____
Email ID: _____
Signature: _____, or failing him

2. Name: _____
Address: _____
Email ID: _____
Signature: _____, or failing him

3. Name: _____
Address: _____
Email ID: _____
Signature: _____, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 2nd Annual General Meeting of the company, to be held on Monday the 30th day of June, 2014 at 11.00 a.m. at the Board Room of India Infrastructure Finance Company Limited (IIFCL), 8th Floor, HT House Building, 18 & 20, Kasturba Gandhi Marg, New Delhi- 110001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. _____
2. _____
3. _____

Signed this _____ day of _____ 2014

Signature of Shareholder

Signature of Proxy holder(s)



Affix a 15 paisa Revenue Stamp

Note : **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

