



**INFINITE INDIA INVESTMENT MANAGEMENT  
PRIVATE LIMITED**

*Annual Accounts 2014*

Corporate Identification Number: U74140MH2006PTC163489  
Regd. Office: 7<sup>th</sup> Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025  
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## AUDITORS' REPORT

To  
The Members of  
Infinite India Investment Management Private Limited

### Report on the Financial Statements

- 1 We have audited the accompanying financial statements of **Infinite India Investment Management Private limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and 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

- 2 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") which continues to be applicable even under the provisions of Section 133 of the Companies Act, 2013. 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

- 3 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.
- 4 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.
- 5 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

### Opinion

- 6 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:
  - a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
  - b) In the case of the Profit and Loss Account, 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

- 7 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 Act, we give in the Annexure a statement on the matters Specified in paragraphs 4 and 5 of the Order.
- 8 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 applicable Accounting Standards referred to in subsection (3C) of section 211 of the Act;
  - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;

**For Khimji Kunverji & Co**  
Chartered Accountants  
Firm Registration No 105146W

Place: Mumbai  
Date: 21 April, 2014

**Hasmukh B Dedhia**  
(Partner)  
F-33494

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**Annexure referred to in paragraph 7 of the Our Report of even date to the Members of Infinite India Investment Management Private Limited on the accounts of the company for the year ended March 31, 2014**

- (i) (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The fixed assets have been physically verified by the management at reasonable interval. As informed, no material discrepancies were noticed on such verification.
- (c) The Company has not disposed off substantial part of its fixed assets during the year
- (ii) The Company does not hold any inventory during the year, hence clause of the Order is not applicable to the Company.
- (iii) The Company has neither taken any loan nor granted any to parties covered in Section 301 register maintained; hence clause (iii) of the Order is not applicable to the company.
- (iv) In our opinion and according to the information and explanations given, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and rendering of services. Further, on the basis of examination of the books and records of the Company and according to the information and explanations given, and as per checking carried out in accordance with the auditing standards generally accepted in India, neither we have observed nor have we been reported of any continuing failure to correct major weakness in the internal control system relating to these areas
- (v) Based on the audit procedures applied and according to the information and explanations provided, there are no transactions which need to be entered in the register maintained under Section 301 of the Act.
- (vi) The Company has not accepted any deposits from public, hence clause of the Order is not applicable to the Company.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the company and nature of its business
- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub section (1) of Section 209 of the Companies Act, 1956 for the products of the Company
- (ix) (a) According to the records, the Company is regular in in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Income Tax, Service Tax, Cess and other material statutory dues applicable to it. There were no arrears of such statutory dues as at March 31, 2014 for a period of more than six months from the date they became payable.

We have been informed that investor education and protection fund, Employees' state insurance, Sales tax, Wealth tax, Custom duty and Excise duty are currently not applicable to the Company for the year under audit

- (b) According to the information and explanations given, there are no dues of Income tax, Service tax and Cess, which have not been deposited on account of any dispute

We have been informed that Sales tax, Wealth tax, Custom duty and Excise duty are currently not applicable to the Company for the year under audit

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- (x) The Company does not have accumulated losses more than 50% of net worth at the end of financial year nor has incurred any cash loss in the current and immediate preceding financial year
  - (xi) The Company has not borrowed funds from financial institutions, banks or debenture holders; hence Clause 4(xi) of the Order is not applicable to the Company
  - (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted any 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/ Society, hence clause 4(xiii) of the Order is not applicable to the Company.
  - (xiv) According to the explanations given the Company is not dealing or trading in shares, securities, debentures and other investments, hence clause 4(xiv) of the Order is not applicable to the Company
  - (xv) According to the information and explanations given, the Company has not raised nor given guarantee for loans taken by others from banks or financial institution
  - (xvi) According to the information and explanations given, the Company has not raised any term loans; hence clause 4(xvi) of the Order is not applicable to the Company
  - (xvii) According to the information and explanations given 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
  - (xviii) The Company has not made preferential allotment of shares to parties or Companies covered in the register maintained under section 301 of the Act
  - (xix) According to the information and explanations given, the Company has not issued any debentures; hence clause 4(xix) of the Order is not applicable to the Company
  - (xx) The Company has not raised any money through a public issue during the year
  - (xxii) During the course of our examination of the books and records of the company, carried out in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have been informed of any such instance by the Management

**For Khimji Kunverji & Co**  
Chartered Accountants  
Firm Registration No 105146W

Place: Mumbai  
Date: 21 April, 2014

**Hasmukh B Dedhia**  
(Partner)  
F-33494

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
BALANCE SHEET AS AT 31ST MARCH 2014

Particulars	Note No.	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
a Share Capital	2.1	16,000,000	16,000,000
b Reserves and Surplus	2.2	63,735,356	48,664,412
		79,735,356	64,664,412
<b>2 Non-current liabilities</b>			
a Long-term provisions	2.3	4,527,693	738,318
		4,527,693	738,318
<b>3 Current liabilities</b>			
a Trade payables	2.4	5,944,749	6,479,390
b Other current liabilities	2.5	10,349,376	9,731,407
c Short-term provisions	2.6	531,884	530,778
		16,826,009	16,741,575
<b>Total</b>		<b>101,089,058</b>	<b>82,144,305</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
a <b>Fixed assets</b>	2.7		
Tangible assets		514,177	697,161
b Non current investments	2.8	50,494,009	368,749
c Deferred tax assets (net)	2.9	497,149	497,555
d Long-term loans and advances	2.10	7,606,176	5,437,231
		59,111,511	7,000,696
<b>2 Current assets</b>			
a Current investments	2.11	-	20,000,000
b Cash and bank balances	2.12	33,105,485	47,305,416
c Short-term loans and advances	2.13	8,689,025	7,284,741
d Other current assets	2.14	183,037	553,452
		41,977,547	75,143,609
<b>Total</b>		<b>101,089,058</b>	<b>82,144,305</b>
Significant accounting policies & notes to financial statements	1 & 2		

As per our attached reports of even date

**For Khimji Kunverji & Co.**

Chartered Accountants

Firm registration no. 105146W

**For and on behalf of the Board**

**Sd/-**

**Hasmukh B. Dedhia**

Partner

Membership No. 33494

**Sd/-**

**Vishal Kampani**

Chairman

**Sd/-**

**P K Choksi**

Director

**Place : Mumbai**

**Date : 21 April, 2014**

**Place : Mumbai**

**Date : 21 April, 2014**

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	Note No.	Current year Rupees	Previous year Rupees
<b>I. REVENUE FROM OPERATIONS</b>	<b>2.15</b>	58,085,734	62,745,124
<b>II. OTHER INCOME</b>	<b>2.16</b>	9,748,187	6,564,456
<b>III Total Revenue (I + II)</b>		67,833,921	69,309,580
<b>IV EXPENSES</b>			
Employee benefits expense	<b>2.17</b>	24,995,602	25,215,145
Finance costs	<b>2.18</b>	-	55,560
Depreciation and amortization expense	<b>2.7</b>	196,537	369,923
Other expenses	<b>2.19</b>	23,670,432	17,755,118
<b>Total expenses</b>		48,862,571	43,395,746
<b>V Profit before tax</b>		18,971,350	25,913,834
Tax expense			
Current tax		3,900,000	4,900,000
Deferred tax		406	110,830
(Excess)/ Short provision for tax in respect of earlier year (net)		-	(41,867)
		3,900,406	4,968,963
<b>VI Profit after tax for the year</b>		150,709,44	20,944,871
<b>VII Earnings per share</b>	<b>2.20</b>		
Basic & diluted		9.42	13.09
Significant accounting policies & notes to financial statements	<b>1 &amp; 2</b>		

As per our attached reports of even date

**For Khimji Kunverji & Co.**

Chartered Accountants

Firm registration no. 105146W

**For and on behalf of the Board**

**Sd/-**

**Hasmukh B. Dedhia**

Partner

Membership No. 33494

**Sd/-**

**Vishal Kampani**

Chairman

**Sd/-**

**P K Choksi**

Director

**Place : Mumbai**

**Date : 21 April, 2014**

**Place : Mumbai**

**Date : 21 April, 2014**

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
**CASH FLOW STATEMENT**

Particulars	In Rupees	
	For the year ended March 31, 2014	For the year ended March 31, 2013
<b>A Cash flow from operating activities</b>		
Profit before tax	18,971,350	25,913,834
<b>Adjustment for:</b>		
Depreciation	196,537	369,923
(Profit)/loss on sale of investments	(1,920,673)	6,573
Provision for clawback obligation	3,727,710	-
Provision for gratuity	69,488	(144,723)
Provision for/(reversal of) compensated absences	(6,717)	(139,924)
Dividend income	(3,549,939)	(1,687,981)
Interest income	(3,410,832)	(3,326,348)
Interest expense	-	55,560
Loss on sale of assets	2,846	14,252
(Profit) on sale of assets	-	(32,592)
<b>Operating profit before working capital changes</b>	<b>(4,891,580)</b>	<b>(4,885,260)</b>
<b>Adjustment for:</b>		
(Increase)/decrease in short-term loans and advances	(1,404,283)	(6,489,047)
(Increase)/decrease in other current assets	370,415	408,349
Increase/(decrease) in trade payables	(534,641)	(2,996,698)
Increase/(decrease) in other current liabilities	617,969	3,072,508
<b>Cash generated from/(used in) operations</b>	<b>(5,842,120)</b>	<b>(10,890,148)</b>
Direct taxes paid	(6,068,945)	(2,675,048)
<b>Net cash from/(used in) operating activities</b>	<b>(11,911,065)</b>	<b>(13,565,196)</b>
<b>B Cash flow from investing activities</b>		
Purchase of non-current investments – Subsidiaries	(50,125,260)	-
Purchase of current investments – Others	(148,556,495)	(206,931,408)
Sale of current investments - Others	168,556,495	186,931,408
Purchase of fixed assets	(16,400)	(157,524)
Sale of fixed assets	-	10,740
Bank balances not considered/ consider as Cash and cash equivalents	-	1,900,000
Interest Income	3,410,832	3,326,348
(Profit)/loss on sale of investments	1,920,673	(6,573)
Dividend Income	3,549,939	1,687,981
<b>Net cash from/(used in) investment activities</b>	<b>(21,260,216)</b>	<b>(13,239,028)</b>
<b>C Cash flow from financing activities</b>		
Repayment of long-term borrowings	-	(89,173)
Interest paid	-	(55,560)
<b>Net cash from/(used in) financing activities</b>	<b>-</b>	<b>(144,733)</b>
<b>Net increase/(decrease) in Cash and cash equivalents</b>	<b>(14,199,931)</b>	<b>(1,035,123)</b>
Cash & cash equivalents (opening)	47,305,416	48,340,539
Cash & cash equivalents (closing)	33,105,485	47,305,416

**Notes**

- The cash flow statement has been prepared under the 'Indirect Method' set out in AS 3 - "Cash Flow Statement" notified in Companies (Accounting standards) Rules, 2006 (as amended).
- Previous year's figures have been regrouped and rearranged wherever necessary.

As per our attached reports of even date

**For Khimji Kunverji & Co.**

Chartered Accountants

Firm registration no. 105146W

**Sd/-**

**Hasmukh B. Dedhia**

Partner

Membership No. 33494

**Place : Mumbai**

**Date : 21 April, 2014**

**For and on behalf of the Board**

**Sd/-**

**Vishal Kampani**

Chairman

**Sd/-**

**P K Choksi**

Director

**Place : Mumbai**

**Date : 21 April, 2014**

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1 SIGNIFICANT ACCOUNTING POLICIES**

**a. Basis of preparation of financial statements**

The financial statements have been prepared and presented under the historical cost convention on an accrual basis of accounting and are in compliance with material aspect of the applicable Accounting Standards notified under Companies (Accounting Standards) Rules 2006 (as amended), the relevant provisions of the Companies Act, 1956 ("the Act"). Except otherwise mentioned, the accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

**b. Use of estimates**

The preparation of financial statements is in conformity with Indian Generally Accepted Accounting Principles which require the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates and differences between actual results and estimates are recognised in the periods in which the results are known/materialised.

**c. Revenue recognition**

Revenue is recognised at the point when there is reasonable certainty of its ultimate realisation/collection.

The Company earns revenues in the nature of management fees on funds under management and advisory fees income which are recognized based on contractual arrangement. Income is recognized net of service tax.

Dividend income on investments is accounted for when the company's right to receive dividend is established.

Interest income is recognized on accrual basis.

**d. Fixed assets and depreciation**

**Owned tangible assets**

Tangible fixed assets are stated at original cost of acquisition less accumulated depreciation and impairment losses. Cost comprises of all costs incurred to bring the assets to their present location and working condition.

Depreciation on tangible fixed assets is provided, on a pro-rata basis for the period of use, on the Straight Line Method (SLM), based on rates as per management's estimate of useful life of the fixed assets, or at the rates prescribed in Schedule XIV to the Companies Act, 1956, whichever is higher, as per the following table:

<b>Asset</b>	<b>Useful Life</b>
Furniture	10 years
Office equipment	5 years
Computers	5 years
Leasehold Improvements	10 years or lease period whichever is lower

Assets costing Rs. 5,000/- or less are fully depreciated in the year of acquisition.

**Owned intangible assets**

Intangible fixed assets are stated at cost of acquisition or internal generation, less accumulated amortisation and impairment losses. An intangible asset is recognised, where it is probable that the future economic benefits attributable to the assets will flow to the enterprise and where its cost can be reliably measured. The depreciable amount of the intangible assets is allocated over the best estimate of its useful life on a straight line basis.

The Company capitalises software and related implementation costs where it is reasonably estimated that the software has an enduring useful life. Software is depreciated over management estimate of its useful life not exceeding 5 years.

**Leased assets**

Assets acquired under finance lease are accounted for at the inception of lease at the fair value of the assets or present value of minimum lease payments whichever is lower. At the end of lease term, asset will revert back to the lessor; hence they are fully depreciated on a straight line basis over the lease term or its useful life whichever is shorter.

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**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

At the Balance sheet date, assets held for disposal are valued at Written Down Value (WDV) or Net Realizable Value (NRV), whichever is lower.

**e. Impairment of assets**

An asset is considered as impaired when on the balance sheet date there are indications of impairment in the carrying amount of the assets, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the assets' net selling price and value in use). The carrying amount is reduced to the level of recoverable amount and the reduction is recognised as an impairment loss in the profit and loss account.

**f. Investments**

Investments are classified as non-current/ long-term or current. Non-current/ long-term investments are carried at cost, however, provision for diminution in the value of non-current/ long-term investments is made to recognise a decline, other than temporary, in the value of investments. The provision for diminution in the value of the quoted long-term investments is made to recognise the decline at lower of cost or market value, determined on the basis of the quoted prices of individual investment. Provision for diminution in the value of unquoted non-current/ long-term investments is made as per the Management's estimate. Current investments are carried at lower of cost or fair value.

**g. Employee Benefits**

**Defined contribution plan**

The Company makes defined contribution to the provident fund, which is recognized in the profit and loss account on an accrual basis.

**Defined benefit plan**

The Company's liabilities under the Payment of Gratuity Act are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Actuarial gains and losses are recognised in the statement of profit and loss account as income or expense respectively. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields on the date of balance sheet on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

**Short term employee benefits**

Short term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the year in which the related services are rendered.

**h. Taxation**

Tax expense comprises current tax and deferred tax.

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961.

Deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that apply substantively as on the date of balance sheet. Deferred tax assets arising from timing differences are recognised to the extent there is reasonable certainty that these would be realised in future.

Deferred tax assets, in case of unabsorbed losses and unabsorbed depreciation, are recognised only if there is virtual certainty that such deferred tax asset can be realised against future taxable profits.

**i. Borrowing costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the profit and loss account.

**j. Operating leases**

Leases, where significant portion of risk and reward of ownership are retained by the Lessor, are classified as Operating leases and lease rentals thereon are charged to the profit and loss account.

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**k. Foreign currency transactions**

Transactions in foreign currency are recorded at rates of exchange prevailing on the date of transaction. Foreign currency monetary items are reported using closing rate of exchange at the end of the year. The resulting exchange gain/loss is reflected in the profit and loss account. Other non-monetary items, like fixed assets, investments in equity shares, are carried in terms of historical cost using the exchange rate at the date of transaction.

**l. Provisions, contingent liabilities and contingent assets**

Contingent Liabilities are possible but not probable obligations as on the balance sheet date, based on the available evidence. Provisions are recognised when there is a present obligation as a result of past event; and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date. Contingent assets are not recognised in the financial statements.

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**2.1 SHARE CAPITAL**

	(In Rupees)	
	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
<b>Authorised</b>		
3,500,000 (previous year 3,500,000) Equity Shares of Rs. 10/- each	35,000,000	35,000,000
	<u>35,000,000</u>	<u>35,000,000</u>
<b>Issued, Subscribed and Paid-up</b>		
1,600,000 (previous year 1,600,000) Equity Shares of Rs. 10/- each fully paid up	16,000,000	16,000,000
<b>Total</b>	<u>16,000,000</u>	<u>16,000,000</u>

**Note a.**

The Company has only one class of shares referred to as equity shares having a Face Value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share.

**Note b.**

Particulars	Equity Shares			
	As at 31.03.2014		As at 31.03.2013	
	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the year	1,600,000	16,000,000	1,600,000	16,000,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,600,000	16,000,000	1,600,000	16,000,000

**Note c.**

Out of Equity shares issued by the Company, shares held by each shareholder including its holding company, ultimate holding company and their subsidiaries/associates, holding more than 5 percent shares specifying the number of shares held are as below:

Particulars	Nature of Relationship	As at 31.03.2014		As at 31.03.2013	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares:</b>					
JM Financial Limited	Holding Company	1,600,000	100	1,600,000	100

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
NOTES TO THE FINANCIAL STATEMENTS

**2.2 RESERVES AND SURPLUS**

	As at 31.03.2014 Rupees	(In Rupees) As at 31.03.2013 Rupees
<b>a. Securities premium account</b>	31,800,000	31,800,000
<b>b .Surplus / (deficit) in profit and loss account:</b>		
Opening balance	16,864,412	(4,080,459)
(+) Profit for the year	15,070,944	20,944,871
Closing balance	31,935,356	16,864,412
<b>Total</b>	<b>63,735,356</b>	<b>48,664,412</b>

**2.3 LONG-TERM PROVISIONS**

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
For employee benefits - gratuity	799,983	738,318
Clawback obligation towards JM Financial Property Fund I	1,911,673	-
Clawback obligation towards JM Financial Property Fund II	1,816,037	-
<b>Total</b>	<b>4,527,693</b>	<b>738,318</b>

**2.4 TRADE PAYABLES**

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
Trade Payables		
* Total outstanding dues to creditors other than Micro, Small and Medium Enterprises	5,944,749	6,479,390
<b>Total</b>	<b>5,944,749</b>	<b>6,479,390</b>

\* The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any relating to amounts repaid as at the year end together with interest paid / payable as required under the said Act have not been given

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**2.5 OTHER CURRENT LIABILITIES**

	<b>As at 31.03.2014 Rupees</b>	(In Rupees) <b>As at 31.03.2013 Rupees</b>
Payable to employees	9,847,500	9,275,324
Statutory dues	501,876	456,083
<b>Total</b>	<b>10,349,376</b>	<b>9,731,407</b>

**2.6 SHORT-TERM PROVISIONS**

	<b>As at 31.03.2014 Rupees</b>	<b>As at 31.03.2013 Rupees</b>
For employee benefits - compensated absences	472,167	478,884
For employee benefits - gratuity	59,717	51,894
<b>Total</b>	<b>530,778</b>	<b>530,778</b>

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
NOTES TO THE FINANCIAL STATEMENTS

**2.7 FIXED ASSETS**

(In Rupees)

Description	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 01-Apr-13	Additions	Deductions / Adjustments	As at 31-Mar-14	As at 01-Apr-13	For the period	Deductions / Adjustments	As at 31-Mar-14	As at 31-Mar-14	As at 31-Mar-13
<b><u>TANGIBLE ASSETS:</u></b>										
<b>Owned Assets:</b>										
Office Equipments	946,679	-	117,679	829,000	921,761	12,294	114,833	819,222	9,778	24,918
Computers	760,657	16,400	-	777,057	376,480	111,451	-	487,931	289,125	384,176
Furniture & Fixtures	737,425	-	-	737,425	449,358	72,793	-	522,152	215,273	288,067
<b>Total</b>	<b>2,444,761</b>	<b>16,400</b>	<b>117,679</b>	<b>2,343,482</b>	<b>1,747,599</b>	<b>196,537</b>	<b>114,833</b>	<b>1,829,305</b>	<b>514,177</b>	<b>697,161</b>
Previous Year	3,924,310	157,524	1,637,073	2,444,761	2,499,741	369,923	1,122,064	1,747,599	697,161	-

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**2.8 NON CURRENT INVESTMENTS**

(In Rupees)

	As at 31.03.2014		As at 31.03.2013	
	Nos. of Units/ Shares	Rupees	Nos. of Units/ Shares	Rupees
<b>TRADE INVESTMENTS</b>				
<b>(a) Investment in Venture capital fund units (at cost)</b> (refer note 2 below)				
Unquoted:				
JM Financial Property Fund I - Class B units (Face value in current year Rs. 10,000 and in previous year Rs.10,000) (Paid -up value in current year Rs. 9833.89 and in previous year Rs.9833.89)	9	88,505	9	88,505
JM Financial Property Fund II - Class B units (Face value in current year Rs.10,000 and in previous year Rs.10,000)	9	90,000	9	90,000
<b>OTHER THAN TRADE INVESTMENTS</b>				
<b>(a) Investment in equity instruments (at cost)</b>				
Unquoted:				
In other companies				
Trent Retail Services Ltd. (Equity Shares of Rs. 100/- each fully paid up)	995	190,244	995	190,244
<b>(b) Investment in preference shares (at cost)</b> (refer note 3 below)				
Unquoted:				
JM Financial Commtrade Limited (50,00,000 6% Optionally Convertible Preference Shares of Rs. 10/- each fully paid up)	5,000,000	50,125,260	-	-
<b>Total</b>		50,494,009		368,749

**NOTES :**

- 1 The aggregate cost of unquoted investments is Rs. 50,494,009 /- (previous year Rs. 368,749/-)
- 2 Redemption of units is at the sole discretion of the trustee to the Venture Fund in consultation with Investment Manager and Contributor to be effected either at the par value or net asset value per unit or at such price as deemed appropriate. Transfer of these units is at discretion of trustees to the fund.
- 3 Company have an option to convert all or a part of the 6% Optionally convertible preference shares (OCPS) outstanding at any time after completion of three months from date of allotment. On conversion Company would receive one Equity share of the Investee Company for each OCPS presented for conversion. Investee Company have a right to redeem OCPS either fully or partly in tranches any time within a period of 10 years.

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**2.9 DEFERRED TAX ASSETS/ (LIABILITY)**

	<b>As at 31.03.2014 Rupees</b>	<b>(In Rupees) As at 31.03.2013 Rupees</b>
Differences in the tax and books written down value of fixed assets	85,602	85,797
Provision for Gratuity	265,647	256,384
Compensated Absences	145,900	155,374
<b>Total</b>	<b>497,149</b>	<b>497,555</b>

Deferred tax assets arising due to timing difference on account of brought forward loss has not been recognized as a measure of prudence.

**2.10 LONG TERM LOANS AND ADVANCES**

	<b>As at 31.03.2014 Rupees</b>	<b>As at 31.03.2013 Rupees</b>
<b>Other loans and advances</b>		
<b>Unsecured, considered good</b>		
(i) Advance Tax and Tax Deducted at source (net of provision of tax)	7,521,838	5,352,893
(ii) Other deposits	84,338	84,338
<b>Total</b>	<b>7,606,176</b>	<b>5,437,231</b>

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**2.11 CURRENT INVESTMENTS**

(In Rupees)

	As at 31.03.2014		As at 31.03.2013	
	Nos. of Units/ Shares	Rupees	Nos. of Units/ Shares	Rupees
<b>OTHER THAN TRADE INVESTMENTS</b>				
<b>(a) Investment in debenture instruments (at cost)</b> <b>(refer note 1 below)</b>				
Unquoted:				
In other companies				
Enrich Hair & Skin Solutions Private Limited (15 % Optionally Convertible Debentures)	-	-	20	20,000,000
<b>Total</b>		-		20,000,000

**NOTES :**

- 1 Optionally Convertible Debentures (OCD)- Tranch I Rs.2 Crs. with tenure being 1 year and additional Tranch II Rs. 1 Cr. made on 04th October, 2013 both matured & redeemed on 12th February 2014.

**2.12 CASH AND BANK BALANCES**

(In Rupees)

	As at 31.03.2014 Rupees	As at 31.03.2013 Rupees
Cash and cash equivalents		
Cash on hand	-	13,529
Bank balances:		
In current accounts	1,035,485	1,891,887
In deposit accounts (less than 3 months maturity)	32,070,000	45,400,000
	33,105,485	47,305,416
<b>Total</b>	<b>33,105,485</b>	<b>47,305,416</b>

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**2.13 SHORT-TERM LOANS AND ADVANCES**

	<b>As at 31.03.2014 Rupees</b>	<b>(In Rupees) As at 31.03.2013 Rupees</b>
Staff Loans & Advances (Unsecured)	12,675	16,110
Advances recoverable in cash or in kind or for value to be received	2,976,350	1,568,631
Deposits	5,700,000	5,700,000
<b>Total</b>	<b>8,689,025</b>	<b>7,284,741</b>

**2.14 OTHER CURRENT ASSETS**

	<b>As at 31.03.2014 Rupees</b>	<b>As at 31.03.2013 Rupees</b>
Interest accrued but not due on Fixed Deposits & Debentures	183,037	553,452
<b>Total</b>	<b>183,037</b>	<b>553,452</b>

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**2.15 REVENUE FROM OPERATIONS**

	<b>Current Year Rupees</b>	<b>Previous Year Rupees</b>
<b>Fees and Commission</b>		
Management fees	58,085,734	62,745,124
<b>Total</b>	<b>58,085,734</b>	<b>62,745,124</b>

**2.16 OTHER INCOME**

	<b>Current Year Rupees</b>	<b>Previous Year Rupees</b>
Interest Income	3,410,832	3,938,714
Dividend	3,549,939	1,687,981
Profit on sale of investments	1,920,673	–
Miscellaneous Income	866,743	937,761
<b>Total</b>	<b>9,748,187</b>	<b>6,564,456</b>

**2.17 EMPLOYEE BENEFITS EXPENSE**

	<b>Current Year Rupees</b>	<b>Previous Year Rupees</b>
Salaries, Bonus and Allowances	24,043,334	23,730,416
Contribution to Provident Fund and Other Funds	818,544	850,879
Gratuity	69,488	605,277
Staff Welfare	64,236	28,573
<b>Total</b>	<b>24,995,602</b>	<b>25,215,145</b>

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**2.18 FINANCE COSTS**

	<b>Current Year Rupees</b>	<b>Previous Year Rupees</b>
Interest Expense on lease	-	55,560
<b>Total</b>	<b>-</b>	<b>55,560</b>

**2.19 OTHER EXPENSES**

	<b>Current Year Rupees</b>	<b>Previous Year Rupees</b>
Rent	7,109,030	5,552,483
Rates and taxes	814,716	1,185,682
Insurance expenses	319,529	340,696
Repairs and maintenance	30,027	1,573
Communication expenses	214,680	194,760
Legal and professional fees	3,256,486	3,126,058
Auditors' remuneration		
statutory audit	100,000	75,000
Certification/ Limited Review	60,000	70,000
Travelling expenses	23,400	103,884
Conveyance expenses	109,522	140,501
Hotel, lodging and boarding expenses	15,347	26,112
Membership and subscriptions	-	31,688
Information Technology Expenses	234,532	377,206
Printing and stationery	112,747	142,114
Manpower Expenses	480,817	140,318
Fund Expenses	5,332,475	5,046,376
Electricity Expenses	215,439	-
Provision for clawback obligation	3,727,710	-
Miscellaneous expenses	1,513,975	1,200,667
<b>Total</b>	<b>23,670,432</b>	<b>17,755,118</b>

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**2.20 EARNING PER SHARE**

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under:

<b>Particulars</b>	<b>For the year ended 31.03.2014 Rupees</b>	<b>For the year ended 31.03.2013 Rupees</b>
Profit after tax (Rupees)	15,070,944	20,944,871
Profit attributable to the equity shareholders for the purpose of basic & diluted earnings per share (Rupees)	15,070,944	20,944,871
Weighted average number of equity shares outstanding during the year for basic & diluted earnings per share	1,600,000	1,600,000
Basic & diluted earnings per share – Rupees	9.42	13.09
Nominal value per share – Rupees	10	10

**2.21 Contingent Liability**

<b>Particulars</b>	<b>As at 31.03.2014 Rupees</b>	<b>As at 31.03.2013 Rupees</b>
Clawback Obligation towards JM Financial Property Fund I for probable shortfall for preferred rate.	-	1,911,673

**2.22 Expenditure in Foreign Currency**

<b>Particulars</b>	<b>For the year ended 31.03.2014 Rupees</b>	<b>For the year ended 31.03.2013 Rupees</b>
<b>Other expenditure</b>		
- Fund expenses	5,332,475	5,046,376
- Conference & seminars	-	119,025
- Professional fees	382,275	291,816

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**2.23 Segment Reporting**

**a. Primary Segment:**

The Company operates in the business of providing asset management and other related services. As such, that is the only reportable business segment as per accounting standard 17 on "Segment Reporting".

**b. Secondary Segment (by Geographical segments):**

The Company operates only in one geographical segment.

**2.24 Leases**

**A. Operating Lease**

The current office premises of the Company is under operating lease upto March 31, 2014 which may be further extended as per mutual consent between parties.

The minimum lease rentals outstanding with respect to these assets are as under:

(In Rupees)

<b>Particulars</b>	<b>Total lease payment outstanding as at March 31, 2014</b>	<b>Total lease payment outstanding as at March 31, 2013</b>
Not later than 1 year	4,795,200	4,788,000
Later than 1 year but not later than 5 years	-	-
Later than 5 years	-	-
<b>Total</b>	<b>4,795,200</b>	<b>4,788,000</b>
Debit Profit & Loss Account	7,109,030	5,552,483

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**2.25 Employee benefits**

**A. Defined benefit plans**

**a. Gratuity**

<b>Amount recognised in the balance sheet with respect to gratuity</b>	<b>For the year ended March 31, 2014</b>	<b>For the year ended March 31, 2013</b>
Present value of the defined benefit obligation at the year end	859,700	790,212
Fair value of plan assets	-	-
<b>Net liability</b>	<b>859,700</b>	<b>790,212</b>

<b>Amount recognised in salary, wages and employee benefits in the profit and loss account with respect to gratuity</b>	<b>For the year ended March 31, 2014</b>	<b>For the year ended March 31, 2013</b>
Current service cost	75,212	101,129
Interest on defined benefit obligations	67,998	86,236
Expected return on plan assets	-	-
Net actuarial (gain) /loss recognised during the year	(73,722)	417,912
Past service cost	-	-
<b>Net gratuity cost</b>	<b>69,488</b>	<b>605,277</b>

<b>Actual return on plan assets</b>	<b>For the year ended March 31, 2014</b>	<b>For the year ended March 31, 2013</b>
Expected return on plan assets	-	-
Actuarial gain/(loss) on plan assets	-	-

<b>Reconciliation of present value of the obligation and the fair value of the plan assets</b>	<b>For the year ended March 31, 2014</b>	<b>For the year ended March 31, 2013</b>
Opening defined benefit obligation	790,212	934,935
Current service cost	75,212	101,129
Interest cost	67,998	86,236
Actuarial (gain)/loss	(73,722)	417,912
Past service cost	-	-
Liability assumed on acquisition/(settled on divestiture)	-	-
Benefits paid	-	(750,000)
<b>Closing defined benefit obligation</b>	<b>859,700</b>	<b>790,212</b>

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

<b>Change in fair value of plan assets</b>	<b>For the year ended March 31, 2014</b>	<b>For the year ended March 31, 2013</b>
Opening fair value of the plan assets	-	-
Expected return on plan assets	-	-
Actuarial (gain)/loss	-	-
Assets acquired on amalgamation	-	-
Contributions by the employer	-	750,000
Benefits paid	-	(750,000)
<b>Closing fair value of the plan assets</b>	-	-

<b>Investment details of plan assets</b>	<b>For the year ended March 31, 2014</b>	<b>For the year ended March 31, 2013</b>
Investment details of plan assets	-	-

**Valuation assumptions**

For the purpose of arriving at the liability, the following assumptions have been considered:

<b>Change in fair value of plan assets</b>	<b>2013-14</b>	<b>2012-13</b>
Retirement Age	60 years	60 years
Salary Escalation (over a long term.)	7.00%	7.00%
Rate of Discounting	9.10%	8.10%
Mortality Table	Under the Indian Assured Lives Mortality (2006-08) Ult table	Under the Indian Assured Lives Mortality (2006-08) Ult table

Withdrawal Rates : Age related

- The estimates of future salary increases, takes into account inflation, seniority, promotion and other relevant factors in the employment market.
- The above information is certified by the actuary.

**b. Compensated absences**

As per companies policy, provision of Rs 6,717/- has been reversed (previous year provision reversed of Rs 139,924/-) towards compensated absence carry forward on actual basis. Provision for compensated absence as at March 31, 2014 is Rs. 472,167/- (previous year Rs. 478,884/-).

**B. Defined contribution plans**

Amount recognised as an expense and included in the Note 2.17 – 'Contribution to provident fund' Rs. 818,544/- (previous year Rs. 850,879/-).

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**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**2.26 Disclosure in respect of related parties pursuant to accounting standard 18:**

**I. Names of related parties and description of relationship where control exists**

**A. Holding company**

JM Financial Limited

**B. Fellow Subsidiaries**

JM Financial Institutional Securities Limited (formerly known as JM Financial Institutional Securities Private Limited)

JM Financial Investment Managers Limited

JM Financial Properties and Holdings Limited

JM Financial Services Limited

**C. Partnership Firm**

Stellar Investments (firm dissolved on March 31, 2012)

**D. Individual exercising control or significant influence by way of voting power in reporting enterprise and relatives of such person.**

**Individual exercising control or significant influence**

Mr. Nimesh Kampani

**II. Related party relationship have been identified by the management and relied upon by the auditors.**

**INFINITE INDIA INVESTMENT MANAGEMENT PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

During the year the following transactions were carried out with the related parties in the ordinary course of business.

Particulars	Nature of Transaction	(In Rupees)	
		2013-14 Amount	2012-13 Amount
<b>Holding Company</b>			
JM Financial Limited	(i) Employee related transfer	-	2,565
	(ii) Purchase of fixed assets	-	3,210
<b>Fellow Subsidiaries</b>			
JM Financial Institutional Securities Limited (formerly known as JM Financial Institutional Securities Private Limited)	(i) Rent paid	-	433,133
	(ii) Expenses reimbursed	214,776	31,211
	(iii) Outstanding payables at year end	182,676	-
JM Financial Investment Managers Limited	(i) Expenses reimbursed	38,676	52,112
	(ii) Purchase of fixed assets	16,400	-
JM Financial Properties and Holdings Limited	(i) Rent paid	4,795,200	912,000
	(ii) Rates & Taxes paid	494,116	194,659
	(iii) Expenses reimbursed	279,172	-
	(iv) Security deposit recoverable	5,700,000	5,700,00
JM Financial Services Limited	(i) Purchase of preference shares of JM Financial Commtrade Ltd.	50,000,000	-
<b>Partnership firm</b>			
Stellar Investments	(i) Share of income on partnership firm	-	3,169

No amount is written off or written back during the year in respect of debts due from or to related parties.

**2.27** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**For and on behalf of the Board**

**Sd/-**  
**Vishal Kampani**  
 Chairman

**Sd/-**  
**P K Choksi**  
 Director

**Place: Mumbai**  
**Date : 21 April, 2014**