

Independent Auditor's review report on unaudited consolidated financial results for the quarter ended 30 June 2024 of IL&FS Investment Managers Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To
The Board of Directors of
IL&FS Investment Managers Limited

Introduction

1. We have reviewed the accompanying statement of unaudited consolidated financial results of IL&FS Investment Managers Limited ('the Parent' or 'the Company') and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') and its share of the loss and total comprehensive loss of its joint ventures for the quarter ended 30 June 2024 ('the Statement'), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard ('Ind AS') 34 'Interim Financial Reporting' prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of Review

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ('SRE') 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India ('the ICAI'). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular Issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

4. The Statement includes the result of the following entities:

Name of the entity	Relationship
IL&FS Investment Managers Limited	Parent
IL&FS Asian Infrastructure Managers Limited	Subsidiary
IL&FS Urban Infrastructure Managers Limited	Subsidiary
IIML Asset Advisors Limited	Subsidiary
Andhra Pradesh Urban Infrastructure Asset Management Limited	Subsidiary
IL&FS Infra Asset Management Limited	Subsidiary
IL&FS AMC Trustee Limited	Subsidiary
IL&FS Investment Advisors LLC ('IIAL')	Subsidiary
IIML Fund Managers (Singapore) Pte Ltd	Subsidiary



Saffron Investment Trust	Subsidiary of IIAL
IL&FS Milestone Realty Advisors Private Ltd	Joint Venture
Standard Chartered IL&FS Management (Singapore) Pte Ltd	Joint Venture

Basis for Qualified Conclusion

5. Attention is drawn to Note 5 of the Statement which describes the situation faced by the Group in view of the ongoing investigation by Serious Fraud Investigation Office of Ministry of Corporate Affairs ('SFIO') against Infrastructure Leasing & Financial Services Limited ('IL&FS' or 'the Ultimate Holding Company'), and its subsidiaries. In view of the aforesaid ongoing investigations of the entire IL&FS Group by the SFIO we are unable to comment on the consequential impact(s) upon conclusion of the said investigation.

Qualified Conclusion

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors and management certified financial results as referred to in paragraph 9 and 10 below, except for the matters described in the 'Basis for Qualified Conclusion' paragraph above, impact whereof, if any, not ascertainable presently, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

7. Attention is drawn to Note 6 of the Statement regarding reduction in fee revenue of the Holding Company and few of its Subsidiaries significantly coupled with the lack of any immediate new fund raise resulting in the reduced estimates of future fee revenue, there is material uncertainty of the Group's continuity as going concern. However, considering management's expectations of Group's ability to, at least, meet its obligations over the next 12 months out of its earnings and liquid assets, the management believes that use of the 'going concern' assumption for preparation of the Statement is appropriate. Our conclusion on the Statement is not modified in respect of this matter.
8. Attention is drawn to Note 10 of the Statement which describes three entities of the Group, being consolidated, have ceased their operations and their respective financial results are not prepared on going concern basis but on realisable value basis. Our conclusion on the Statement is not modified in respect of this matter.

Other Matters

9. We did not review the financial results of two subsidiaries included in the Statement, whose financial results, reflect total revenues of Rs. 817.86 lakhs, total net profit after tax of Rs. 76.80 lakhs and total comprehensive income of Rs. 76.05 lakhs for the quarter ended 30 June 2024, as considered in the Statement. These financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.



kkc & associates llp

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

10. The Statement includes the financial results of five subsidiaries which have not been reviewed by their auditors, whose financial results reflect total revenue of Rs. 32.96 lakhs, total net profit after tax of Rs. 20.38 lakhs and total comprehensive income of Rs. 20.38 lakhs for the quarter ended 30 June 2024, as considered in the Statement. The Statement also includes the Group's share of net loss of Rs. 0.44 lakhs and total comprehensive loss of Rs. 0.44 lakhs for the quarter ended 30 June 2024, as considered in the Statement, in respect of two joint ventures, based on their financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

For **KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621



Hasmukh B Dedhia

Partner

ICAI Membership No: 033494

UDIN: 24033494 BKCR117722



Place: Mumbai

Date: 12 August 2024

IL&FS INVESTMENT MANAGERS LIMITED

 Registered Office: The IL&FS Financial Centre, C-22, G Block, Bandra-Kurla Complex,
 Bandra (East), Mumbai 400 051

CIN : L65999MH1986PLC147981. Website: www.iimlindia.com

**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER
 ENDED JUNE 30, 2024**

(₹ in lakhs)					
	Particulars	Quarter Ended 30.06.2024 (Unaudited)	Quarter Ended 30.06.2023 (Unaudited)	Quarter Ended 31.03.2024 (Audited) (Note 3)	Year Ended 31.03.2024 (Audited)
	Revenue:				
	Revenue from Operations	777.34	1,329.57	1,317.96	5,192.39
	Other Income	218.84	491.25	341.57	1,449.36
1	Total Revenue	996.18	1,820.82	1,659.53	6,641.75
2	Expenses:				
	Employee benefits expense	316.93	367.25	275.28	1,293.41
	Depreciation and amortisation expense	7.35	4.05	7.94	24.77
	Rent expense	39.01	39.35	27.17	138.44
	Legal and Professional expense	392.50	424.74	514.49	2,043.88
	Expected Credit loss arising on Receivables	89.64	99.35	57.62	739.88
	Other Expenses	347.92	347.96	161.45	841.22
	Total Expenses	1,193.35	1,282.70	1,043.95	5,081.60
3	Profit/(Loss) before exceptional item and tax (1-2)	(197.17)	538.12	615.58	1,560.15
4	Exceptional Item	-	-	-	-
5	Profit/(Loss) after exceptional item and before tax (3-4)	(197.17)	538.12	615.58	1,560.15
6	Tax expense/(benefit):				
	a) Current tax	69.73	173.29	277.51	577.25
	b) Deferred tax	105.11	55.17	(158.09)	(221.68)
	Total Net tax expense/(benefit)	174.84	228.46	119.42	355.57
7	Profit/(Loss) after Tax (5-6)	(372.01)	309.66	496.16	1,204.58
8	Share of profit/(loss) of Joint Ventures	(0.44)	(1.77)	(2.11)	0.08
9	Profit/(Loss) after tax and share in profit/(loss) of Joint Venture (7+8)	(372.45)	307.89	494.05	1,204.66
	Profit attributable to:				
	Owners of the company	(340.97)	169.84	485.91	1,010.95
	Non-controlling interest	(31.48)	138.05	8.14	193.71



	Particulars	Quarter Ended 30.06.2024 (Unaudited)	Quarter Ended 30.06.2023 (Unaudited)	Quarter Ended 31.03.2024 (Audited) (Note 3)	Year Ended 31.03.2024 (Audited)
10	Other comprehensive income				
	Items that will not be reclassified to profit or loss:				
	Actuarial Gain of the defined benefit plans	19.72	7.86	0.59	(2.44)
	Income tax relating to items that will not be reclassified to profit or loss	106.70	1.17	(5.16)	(20.18)
	Items that will be reclassified to profit or loss:				
	Gain/(Loss) on Foreign currency translation reserve (net)	7.99	(18.77)	23.17	120.45
	Total other comprehensive income	134.41	(9.74)	18.60	97.83
	Total other comprehensive income attributable to:				
	Owners of the company	134.78	(9.09)	18.76	98.80
	Non-controlling interest	(0.37)	(0.65)	(0.16)	(0.97)
11	Total Comprehensive Income (9+10)	(238.04)	298.15	512.65	1,302.49
	Owners of the company	(206.19)	160.74	504.67	1,109.75
	Non-controlling interest	(31.85)	137.41	7.98	192.74
12	Paid-up Equity Share Capital (Face Value of ₹ 2/- each)	6,280.85	6,280.85	6,280.85	6,280.85
	Other Equity				13,958.32
13	Earning per equity share (not annualised)				
	- Basic	(0.11)	0.05	0.15	0.32
	- Diluted	(0.11)	0.05	0.15	0.32

NOTES :

- (1) The aforesaid consolidated financial results of IL&FS Investment Managers Limited (the "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together constitute the "Group") and jointly controlled entities for the quarter ended June 30, 2024 along-with comparative quarter have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at its meeting held on August 12, 2024 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (2) The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 – Interim Financial Reporting, notified under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time and other accounting principles generally accepted in India
- (3) Figures for the quarter ended March 31, 2024 are balancing figures between the audited figures in respect of the full financial year ended March 31, 2024 and the unaudited published year to date figures upto third quarter ended December 31, 2023 which were subjected to a limited review by the Statutory Auditors of the Company



- (4) As per requirements of Indian Accounting Standard (Ind AS) 108 on 'Operating Segments', based on evaluation of financial information for allocation of resources and assessing performance, the Group has identified a single segment i.e. providing asset management services and other related services. As such, there are no separate reportable business or geographical segments as per Ind AS 108
- (5) The Ministry of Corporate Affairs (MCA), Government of India, has vide its letter dated October 1, 2018 initiated investigation by Serious Fraud Investigation Office (SFIO) against Infrastructure Leasing & Financial Services Limited (IL&FS), the Holding Company and its subsidiaries (including the Company) under Section 212(1) of the Companies Act, 2013. On December 3, 2018, MCA on the directions of the National Company Law Tribunal, Mumbai (NCLT) has impleaded various Group Companies of IL&FS (which includes the Company) as Respondents to the Petition filed by them on October 1, 2018
- (6) The term of most of the existing funds being managed/advised by the Company are approaching end of their extended term in the near future which has resulted in significant reduction in the Company's fee revenue. Management expects that its future income from existing funds being managed/advised together with liquid assets held by the Company as at June 30, 2024 will be adequately sufficient to meet the Company's existing and future obligations arising over the next 12 months. Management believes that use of the going concern assumption for preparation of these financial results is appropriate


The IL&FS Board has been working on a resolution plan, with a view to enable value preservation for stakeholders of IL&FS Group. The resolution plan, inter alia, involves sale of assets/businesses/companies owned by IL&FS. And in this regard, the IL&FS Board had on December 21, 2023 invited a public Expression of Interest (EOI) for sale of its entire stake in the Company. In response to the EOI, few prospective bidders have shown interest and due diligence for the investment is in progress

- (7) The National Company Law Tribunal, Mumbai has passed order dated July 26, 2024 approving the Scheme of Amalgamation of its two wholly owned subsidiaries IL&FS Asian Infrastructure Managers Limited and IIML Asset Advisors Limited with the Company, with appointed date as April 1, 2022. The Scheme of Amalgamation will be effective once the Registrar of Company, Mumbai takes the said order on record and approves the same
- (8) The Final meeting of IIML Fund Managers (Singapore) Pte Ltd which is in Member's Voluntary Liquidation was held on August 6, 2024 and the necessary filings have been completed with Accounting and Corporate Regulatory Authority (ACRA), Singapore
- (9) The summarised audited standalone financial results of the Company are as below. The detailed standalone financial results of the Company are available on the Company's website www.iimlindia.com

		(₹ in lakhs)			
	Particulars	Quarter Ended 30.06.2024 (Unaudited)	Quarter Ended 30.06.2023 (Unaudited)	Quarter Ended 31.03.2024 (Audited) (Note 3)	Year Ended 31.03.2024 (Audited)
1	Total Revenue	67.95	270.12	2,606.28	3,076.78
2	Profit before tax	(339.36)	(66.62)	2,421.33	2,133.62
3	Profit after tax	(356.89)	(69.17)	2,409.97	2,162.44

- (10) The financial statements of its subsidiary IIML Fund Managers (Singapore) Pte Ltd and its Joint Ventures IL&FS Milestone Realty Advisors Private Limited and Standard Chartered IL&FS Management (Singapore) Pte Ltd have been prepared on the basis that it does not continue as a going concern
- (11) Previous year numbers are regrouped/reclassified wherever necessary

By Order of the Board


Chitranjan Singh Kahlon
 Chairman

Mumbai, August 12, 2024

