IL&FS | Private Equity

IL&FS Urban Infrastructure Managers Limited

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www.iuiml.com

CIN No : U67190MH2006PLC162433

July 13, 2026

The Directors,
IL&FS Urban Infrastructure Managers Ltd (IUIML)

Respected Madam / Sir,

Sub: Signing of audited financials - FY 2025-26

Please find enclosed the audited financials along with notes to accounts (in two sets) of IUIML for the financial year ended March 31, 2026. The same was discussed and approved by the board of directors of the company in the board meeting held on May 29, 2026

In order to file the statutory returns, we request you to place your signatures / initials in the financials enclosed herewith (Note – full signature in page no. 1, 2, 3, 5 and 36 and initials in rest of the pages)

Kindly do the needful

Thanking you

Yours faithfully
For IL&FS Urban Infrastructure Managers Ltd

Authorized Signatory

Encl: a/a

Independent Auditor's Report

To
The Members of
IL&FS Urban Infrastructure Managers Limited

Report on the audit of the Financial Statements

Qualified Opinion

1. We have audited the accompanying Financial Statements of IL&FS Urban Infrastructure Managers Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2026, and the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information ('the Financial Statements').

2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the 'Basis for Qualified Opinion' paragraph below the aforesaid Financial Statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the State of Affairs of the Company as at 31 March 2026, and its Loss and Other Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Qualified Opinion

3. Attention is invited to Note 30 of the Financial Statement which describes the situation faced by the Company 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 (including the Company). In view of the aforesaid ongoing investigations of the entire IL&FS Group by the SFIO, including the summary of charges received from Ministry of Corporate Affairs in October 2024 pertaining to the matters of the Holding Company and its domestic subsidiaries, we are unable to comment on the consequential impact(s) upon conclusion of the said investigation.

4. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Financial Statements.

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Other Information

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Financial Statements and our auditors' report thereon.

6. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

7. In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

8. The Company's annual report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

9. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Financial Statements that give a true and fair view of the State of Affairs, Loss and Other Comprehensive Income, Changes in Equity and Cash Flows of the Company in accordance with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

10. In preparing the Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

11. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the

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aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    13.1. Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    13.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.

    13.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

    13.4. Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

    13.5. Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

14. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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17. As required by Section 143(3) of the Act, we report that:

17.1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

17.2. Except for the possible effects of the matters described in para 3 above and for the matters stated in paragraph 18.8 below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.

17.3. The balance sheet, the statement of profit and loss including other comprehensive income, the statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of account.

17.4. In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the relevant rules thereunder.

17.5. On the basis of the written representations received from the directors as on 01 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

17.6. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 17.2 above on reporting under Section 143(3)(b) and paragraph 18.8 below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

17.7. With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

17.8. In our opinion and according to the information and explanations given to us, the company has not paid/ provided remuneration to its directors during the current year. Accordingly, provisions of Section 197 of the Act is not applicable to the company.

18. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

18.1. The Company does not have any pending litigations, except for the matters disclosed in note 30 of the financial statements which would impact its financial position.

18.2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

18.3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

18.4. The Management has represented , to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including

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18.5. The Management has represented, to best of their knowledge and belief, that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

18.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e), as provided under para 18.4 and 18.5 above, contain any material misstatement.

18.7. In our opinion and according to information and explanation given to us, the Company has not declared or paid dividend during the year, accordingly compliance with section 123 of the Act by the Company is not applicable.

18.8. Based on our examination, which included test checks, the Company has maintained its books of account on accounting software with an audit trail (edit log) feature, and this feature was enabled and operated throughout the year for all relevant transactions recorded in the software. We noted that the audit trail records were backed up on a weekly basis instead of a daily basis as required under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, having regard to the limited number of transactions during the year. Subject to this matter regarding backup frequency, nothing has come to our attention that causes us to believe the audit trail feature was tampered with, and the audit trail records have been preserved by the Company in accordance with the applicable statutory record-retention requirements.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Bharat Jain
Partner
ICAI Membership No: 100583
UDIN: 26100583OPJSJB7432

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Place: Mumbai
Date: 29 May 2026

Annexure 'A' to the Independent Auditor's Report on the Financial Statements of IL&FS Urban Infrastructure Managers Limited for the year ended 31 March 2026

(Referred to in paragraph 16 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ('PPE').

The Company is maintaining proper records showing full particulars of intangible assets.

(b) The Company physical verifies its PPE at the end of each year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. During the year, 100% of the PPE were physically verified by the Management. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The company does not have any immovable properties and hence reporting under clause 3 (i)(c) of the Order is not applicable to the company.

(d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE or intangible assets or both during the year.

(e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on Clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned any working capital limits at any point of time during the year, from banks or financial institutions.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investment or given any security or guarantee or Loans or advance in nature of loans to companies, firms, limited liability partnership or any other parties during the year. The Company has granted unsecured loans, to other parties in previous years respect of which the requisite information is as mentioned below.

(a) In our opinion and according to the information and explanations given to us, the Company has granted unsecured loans to other parties in previous years, and the details are mentioned in the following table

Particulars	Loans(Rs in Lakhs)
Aggregate amount granted during the year:	
Others (Employee)	Nil
Balance outstanding as at balance sheet date in respect of above cases:	
Others (Employee)	Rs 4.36

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(b) In our opinion and according to the information and explanations given to us and based on the audit procedures conducted by us, the terms and conditions of the grant of all loans are not prejudicial to the Company's interest. The Company has not made investments provided any guarantee or security or advances in the nature of loans during the year.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the record of the Company, in respect of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular during the year.

(d) In our opinion, according to the information and explanations given to us and on the basis of our examination of the record of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the record of the Company, neither loans or advances in nature of loans have been renewed or extended nor any fresh loans have been granted to settle the overdue of existing loans.

(f) In our opinion and according to the information and explanations given to us and on the basis of our examination of the record of the Company, the Company has not granted any loans or advances in the nature of loans to Promoters/Related Parties (as defined in section 2(76) of the Act which are either repayable on demand or without specifying any terms or period of repayment.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act with respect to the loans given, investments made, guarantees given and security provided.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. The Company is not required to maintain cost records under Section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 and hence reporting under paragraph 3(vi) of the Order is not applicable to the Company.

vii. (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST. In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, , duty of customs, cess and any other statutory dues have been regularly deposited by the Company with the appropriate authorities.

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According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) We confirm that there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, which have not been deposited to/with the appropriate authority on account of any dispute.

viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) The Company has not borrowed any loans from any lender. Hence, reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) The Company has not raised any loans on short term basis and hence, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has no subsidiaries, joint ventures or associates. Hence, reporting under 3(ix)(e) & 3(ix)(f) of the order is not applicable to the company.

x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

xi. (a) In our opinion and according to the information and explanations given to us, there has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the year.

(b) In our opinion and according to the information and explanations given to us, no report under sub section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.

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xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Further section 177 of the act is not applicable to the Company.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable to the Company.

(b) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India.

(d) The Group has one Core Investment Company (CIC) as part of the Group.

xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly paragraph 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also, refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Annual report is expected to be made available to us after the date of this auditor's report.

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xx. In our opinion and according to the information and explanations given to us, the provisions of section 135 of the act are not applicable to the company. Hence, reporting under clause 3(xx)(a) and (b) of the Order is not applicable to the company.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Bharat Jain
Partner
ICAI Membership No: 100583
UDIN: 26100583OPJSJB7432

Place: Mumbai
Date: 29 May 2026

Annexure 'B' to the Independent Auditors' report on the Financial Statements of IL&FS Urban Infrastructure Managers Limited for the year ended 31 March 2026

(Referred to in paragraph '17.7' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act').

Opinion

1. We have audited the internal financial controls with reference to the Financial Statements of IL&FS Urban Infrastructure Managers Limited ('the Company') as at 31 March 2026 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Financial Statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

Management's responsibility for Internal Financial Controls

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA '), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Financial Statements included obtaining an understanding of internal financial controls with reference to the Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

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6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Financial Statements.

Meaning of Internal Financial Controls with reference to the Financial Statements

7. A company's internal financial controls with reference to the Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Bharat Jain
Partner
ICAI Membership No: 100583
UDIN: 26100583OPJSJB7432

kkc & associates llp
Chartered Accountants
KK

Place: Mumbai
Date: 29 May 2026

IL&FS URBAN INFRASTRUCTURE MANAGERS LIMITED
CIN: U67190MH2006PLC162433
BALANCE SHEET AS AT MARCH 31, 2026

Amount (₹) in Lakhs

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	2	11.44	4.80
(b) Other Intangible assets	2	-#	-#
		11.44	**4.80**
(c) Financial Assets:			
(i) Other Non-Current Financial Assets	3	94.86	123.49
Total Financial assets		**94.86**	**123.49**
Deferred tax assets (net)	4	-	-
Sub Total (A)		**106.30**	**128.29**
Current assets			
(a) Financial Assets:			
(i) Trade receivables	5	23.96	2.11
(ii) Cash and Cash Equivalents	6	48.31	77.21
(iii) Other Bank Balances	7	315.00	370.02
(iv) Loans	8	4.36	4.50
(v) Other Current Financial Assets	9	51.90	26.45
(b) Current Tax Asset (net)	10	246.57	253.99
(c) Other current assets	11	7.73	9.15
Sub Total (B)		**697.83**	**743.43**
TOTAL ASSETS (A+B)		**804.13**	**871.72**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	12	100.00	100.00
(b) Other Equity	13	672.64	746.07
Sub Total (C)		**772.64**	**846.07**
LIABILITIES			
Non-Current Liabilities			
(a) Employee benefit obligations	14	4.47	3.80
Sub Total (D)		**4.47**	**3.80**
Current Liabilities			
(a) Financial Liabilities			
(i) **Trade payables**			
Total outstanding dues of Micro Enterprises and Small Enterprises	15	-	-
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		3.63	4.56
(ii) Other Current Financial Liabilities	16	3.67	4.17
(b) Other current liabilities	17	3.04	2.90
(c) Employee benefit obligations	18	16.68	10.22
Sub Total (E)		**27.02**	**21.85**
TOTAL EQUITY AND LIABILITIES (C+D+E)		**804.13**	**871.72**

Summary of material accounting policies — 1
The accompanying Notes form an integral part of the Financial Statements1 — 1 to 40
# Denotes amount below ₹ 50,000/-

In terms of our report attached
For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration No: 105146W/W100621

KKC & Associates llp Chartered Accountants KK

Bharat Jain
Partner
Membership No. 100583
Place: Mumbai
Date: May 29, 2026

For IL&FS Urban Infrastructure Managers Ltd and on behalf of the Board

Lubna Ahmad Usman
Director
DIN: 08299976
Place: Mumbai
Date: May 29, 2026

Arvind Iyengar
Director
DIN: 07...

IL & FS Urban Infrastructure Managers Limited

IL&FS URBAN INFRASTRUCTURE MANAGERS LIMITED
CIN: U67190MH2006PLC162433

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

Amount (₹) in Lakhs

	Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
	Revenue:			
I	Revenue from operations	19	141.72	113.59
II	Other Income	20	25.74	244.44
III	**Total Revenue (I + II)**		**167.46**	**358.03**
IV	**Expenses:**			
(a)	Employee benefits expense	21	105.22	129.79
(b)	Depreciation and amortization expense	2	2.66	4.90
(c)	Legal & Professional Expenses		29.28	54.89
(d)	Other expenses	22	106.69	39.33
	Total expenses		**243.85**	**228.91**
V	**Profit Before tax (III-IV)**		**(76.39)**	**129.12**
VI	Tax expense :			
	Current tax	27	-	-
	Deferred tax	4	-	-
	Prior Year Taxes		-	-
	Total Tax expense		-	-
VII	**Net Profit after Tax (V - VI)**		**(76.39)**	**129.12**
VIII	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Actuarial (Gain)/Loss of the defined benefit plans		(2.96)	11.99
	Items that will be reclassified to profit or loss			
IX	**Total Comprehensive income for the year (VII + VIII)**		**(73.43)**	**117.13**
	Earnings per equity share			
	Equity shares of par value ₹10 each			
	Basic & diluted	24	(7.64)	12.91

Summary of material accounting policies 1

The accompanying Notes form an integral part of the Financial Statements1 1 to 40

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Arvind Iyengar
Director
DIN: 07022646

IL & FS Urban Infrastructure Managers Limited

IL&FS URBAN INFRASTRUCTURE MANAGERS LIMITED
CIN: U67190MH2006PLC162433

Statement of Changes in Equity for the year ended March 31, 2026

a. **Equity Share Capital**

	Note	Amount in ₹ in Lakhs
Balance as at April 1, 2024	12	100.00
Changes in Equity Share Capital due to prior period errors		-
Restated balance at the beginning of the reporting period		100.00
Changes in equity share capital		-
Balance as at March 31, 2025	12	**100.00**
Changes in Equity Share Capital due to prior period errors		-
Restated balance at the beginning of the reporting period		100.00
Changes in equity share capital		-
Balance as at March 31, 2026	12	**100.00**

b. **Other equity**

	General Reserve	Retained Earnings	Total
Balance as at April 1, 2024	**87.85**	**541.09**	**628.94**
Changes in Accounting policy/ prior period errors	-	-	-
Restated balance at the beginning of the previous reporting year	**87.85**	**541.09**	**628.94**
Total Comprehensive Income for the year			
Profit for the year	-	129.12	**129.12**
Other Comprehensive Income	-	(11.99)	**(11.99)**
Balance as at March 31, 2025	**87.85**	**658.22**	**746.07**
Changes in Accounting policy/ prior period errors	-	-	-
Restated balance at the beginning of the reporting year	**87.85**	**658.22**	**746.07**
Total Comprehensive Income for the year	-	-	-
Profit for the year	-	(76.39)	**(76.39)**
Other Comprehensive Income*		2.96	**2.96**
Balance as at March 31, 2026	**87.85**	**584.79**	**672.64**

*Represents Remeasurement of Defined Benefit Plan

Summary of material accounting policies 1
The accompanying Notes form an integral part of the Financial Statements1 1 to 40

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IL&FS URBAN INFRASTRUCTURE MANAGERS LIMITED
CIN: U67190MH2006PLC162433

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

(Amount (₹ in Lakhs)

Sr. No.	Particulars		Year ended 31-Mar-2026	Year ended 31-Mar-2025
A.	**CASH FLOW FROM OPERATING ACTIVITIES**			
	PROFIT/(LOSS) BEFORE TAX		(76.39)	129.12
	Adjustments for:			
	Depreciation and amortization expense		2.66	4.90
	Interest Income		(24.62)	(19.77)
	Bad Debts written off – Out of provision		-	(80.12)
	Expected Credit Loss on account of Trade Receivables & OPE		73.75	(199.85)
	Provision/liability no longer required written back		-	(8.12)
	Interest on Employee Loan		(0.42)	(0.45)
	Profit / (Loss) on sale of Fixed assets (Net)		-	(0.35)
	Operating Profit before working capital changes		**(25.02)**	**(174.64)**
	Changes in working capital			
	Adjustment for (increase) / decrease in operating assets:			
	Trade Receivables		(61.24)	254.92
	Other Current Assets		1.42	(16.39)
	Other Financial Assets (Current)		(34.06)	105.40
	Adjustment for increase / (decrease) in operating liabilities:			
	Trade Payables		(0.93)	6.29
	Other Current Liabilities		0.14	(18.60)
	Short Term Provisions		9.43	10.22
	Other Financial Liabilities		(0.50)	(356.18)
	Long Term Provisions		0.67	(10.71)
	Cash generated from operations		**(110.09)**	**(199.69)**
	Less: Net Income tax (paid) / refund received		7.42	1.83
	Net Cash flow generated from operating activities	**A.**	**(102.67)**	**(197.86)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Interest Income		20.21	19.67
	Other Financial Assets – Investment in FDs		-	4.90
	Redemption from / (Investment in) Fixed Deposits		62.86	156.12
	Capital expenditure on Property, Plant and Equipment including capital advance		(9.30)	(2.86)
	Proceeds from sale of Property, Plant and Equipment		-	0.35
	Net Cash flow generated from (used in) investing activities	**B.**	**73.77**	**178.18**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Net Cash flow used in financing activities	**C.**	-	-
D.	**Net Increase / (Decrease) in Cash and Cash Equivalents**	**(A + B + C)**	**(28.90)**	**(19.68)**
	Add: Cash and Cash Equivalent at the beginning of the year (Refer Note 6)		**77.21**	**96.89**
	Cash and Cash Equivalent at the end of the year (Refer Note 6)		**48.31**	**77.21**

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IL & FS Urban Infrastructure Managers Limited

IL&FS URBAN INFRASTRUCTURE MANAGERS LIMITED
CIN: U67190MH2006PLC162433

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

Components of cash and cash equivalents reported in the Balance Sheet:

(Amount (₹ in Lakhs)

Particulars	Year ended 31-Mar-2026	Year ended 31-Mar-2025
		-
Cash in hand	46.01	74.77
Bank Balance in current accounts	2.30	2.44
In fixed deposits account with maturity less than 3 months	**48.31**	**77.21**

Note: Cash Flow Statement has been prepared under the indirect method as set out in Ind AS – 7 specified under Section 133 of the Act

Summary of material accounting policies 1
The accompanying Notes form an integral part of the Financial Statements1 1 to 40

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Place: Mumbai
Date: May 29, 2026

Arvind Iyengar
Director
DIN: 07022646

IL&FS URBAN INFRASTRUCTURE MANAGERS LIMITED
CIN: U67190MH2006PLC162433

Note 1: Notes forming part of the financial statements for the year ended March 31, 2026.

A. Corporate Information

IL&FS Urban Infrastructure Managers Limited ("Company") was incorporated on May 24, 2006 and is a wholly owned subsidiary of IL&FS Investment Mangers Limited. The Company functions as the Asset Manager for the Pooled Municipal Debt Obligations (PMDO) Facility. The objective of the PMDO Facility is to provide long tenure term loans to meet the debt requirements of urban infrastructure projects across cities in India. Accordingly, the Company is in the business of providing asset management and advisory services. The Company is a public Limited Company incorporated and domiciled in India. The address of its corporate office is IL&FS Financial Centre, Plot C-22, G-Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051.

B. Material Accounting Policies

a) Statement of compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 (CA 2013) read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

These Financial Statements are approved by the Board of Directors and authorised for issue on May 29, 2026

b) Basis of preparation and presentation

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value.

Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:

Note 28 - Impairment of financial assets (including trade receivable)

Note 14 - Estimation of defined benefit obligations

Note 32 - Estimation for preparation of financials under going concern assumption

Note 26 – Provisions & Contingent Liabilities

c) Fair value measurement

Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities

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IL & FS Urban Infrastructure Managers Limited

Note 1: Notes forming part of the financial statements for the year ended March 31, 2026.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement

Further information about the assumptions made in measuring fair values is included in Note 34-financial instruments

d) Financial instruments

i. Recognition and initial measurement

All financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value (except for trade receivables which are initially measured at transaction price) plus, for an item not at fair value through profit and loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- fair value through other comprehensive income ("FVOCI")
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition except if in the period the Company changes its business model for managing the financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

– the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL

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IL & FS Urban Infrastructure Managers Limited

IL&FS URBAN INFRASTRUCTURE MANAGERS LIMITED
CIN: U67190MH2006PLC162433

Note 1: Notes forming part of the financial statements for the year ended March 31, 2026.

Subsequent measurement and gains and losses are recognized as :

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. **Derecognition**

Financial Asset

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial Liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. **Offsetting**

Financial assets and financial liabilities are offset, and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

e) **Cash and cash equivalents**

Cash comprises of demand deposits with banks. Cash equivalents are short-term balances that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term balance, as defined above as they are considered an integral part of the Company cash management.

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IL & FS Urban Infrastructure Managers Limited

IL&FS URBAN INFRASTRUCTURE MANAGERS LIMITED
CIN: U67190MH2006PLC162433

Note 1: Notes forming part of the financial statements for the year ended March 31, 2026.

f) Revenue Recognition

i) Rendering of Services

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115, Revenue from Contracts with Customers to determine when to recognize revenue and at what amount.

Revenue is recognized when it is realized or realizable and earned. Revenue is considered as realized or realizable and earned when it has persuasive evidence of an arrangement, delivery has occurred, the sales price is fixed or determinable and collectability is reasonably assured.

Revenue from services is recognized in the accounting period in which the services are rendered.

a. Income from upfront fee is recognized at rates agreed upon with borrowers on execution of loan documents between PMDO lenders and its borrower.

b. Asset Management Fee from borrowers of PMDO Facility is recognized when it is reasonably certain that the revenue will flow to the Company at rates agreed upon with borrowers of PMDO Facility on the outstanding loan balance over the term of funding.

c. Asset Management Fee from member lenders under PMDO Facility is recognized when it is reasonably certain that the revenue will flow to the Company at rates agreed upon with member lenders on the principal outstanding of NPA accounts under the PMDO Facility.

d. Consultancy fee and Professional fee are recognized when it is reasonably certain that the revenue will flow to the Company at the rates agreed upon.

If the consideration promised in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for rendering the promised services to a customer. The amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

ii) Recognition of Interest Income

Interest income on fixed deposits is accrued proportionately based on period for which the same is placed.

g) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use as intended by the management. The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:-

Category of Asset	Estimated Useful Life (in years)
Assets:	
Furniture and Fixtures	5
Data Processing Equipments	3
Office Equipments	4
Lease hold improvement	Over the lease period
Intangible Assets:	
Computer Software	3

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IL & FS Urban Infrastructure Managers Limited

Note 1: Notes forming part of the financial statements for the year ended March 31, 2026.

As per CA 2013, depreciation of Property, Plant and Equipment has to be provided based on estimated useful life as per Schedule II of the Companies Act 2013. However, there are certain categories of assets in whose cases the life of assets have been assessed as under, taking into consideration the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, the past history of replacement, anticipated technological changes etc. Pursuant to the foregoing, it is proposed to continue with the existing policy of accelerated depreciation on following category of assets:

(i) Mobile Phones 100% during the year of capitalization due to extensive usage and technological obsolescence.

(ii) Furniture and Fixtures as per current policy of 5 years as against the useful life of 10 years provided in the CA 2013

(iii) Office equipment as per current policy of 4 years as against the useful life of 5 years provided in the CA 2013

(iv) Individual assets costing ₹ 5,000 or less in the year of capitalization shall be depreciated 100% for all the categories of assets.

Residual value of all assets is retained at ₹ 1.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying of the asset and is recognized in profit or loss.

In case of assets sold/discarded during the year, depreciation is provided proportionately up to the date of sale/discard.

Intangible Assets: Intangible Assets consist of Computer Software which has been purchased by the Company. Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are carried at cost less any accumulated depreciation and accumulated impairment losses. Intangible assets are amortised over their useful economic life on a straight-line basis and assessed for impairment, if any.

h) Impairment

(a) Financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 and Ind AS 115.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original Effective Interest Rate (EIR). ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss.

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IL & FS Urban Infrastructure Managers Limited

Note 1: Notes forming part of the financial statements for the year ended March 31, 2026.

(b) Non- financial assets

Intangible assets and property, plant and equipment

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If many indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

i) Employee Benefits

i. Short Term Obligations: Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting and are measured at the amounts expected to be paid when the liabilities are settled.

ii. Retirement benefit costs and termination benefits: Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions. The Company has no obligation, other than the contribution payable to the provident fund and superannuation fund.

The Company provides for gratuity, a defined benefit plan (funded with Life Insurance Corporation of India). Incremental liability for gratuity based on actuarial valuation/management estimates as per the projected unit credit method as at the reporting date, is charged as expenses in the Statement of Profit and Loss. Actuarial gains and losses arising from changes in actuarial/management assumptions are recognized in other comprehensive income and shall not be reclassified to the Statement of Profit and Loss in a subsequent period.

iii. Leave Encashment: The Company provides for the encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment / availment. As per the revised policy adopted by the Company with effect from April 1, 2021, the liability is provided based on the actual number of days of unutilized leave at each Balance Sheet date which was carried forward from the number of unutilised leave as on March 31, 2021 on the basis of a management estimate.

j) Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 - Leases. At the inception of a contract, assessment is being done by Company whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company reassesses whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed.

As a Lessor:

A lessor shall classify each of its leases as either an operating lease or finance lease.

As a Lessee:

At the commencement date, a lessee shall recognize a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses would be depreciation charge for ROU assets and interest expense on lease liabilities. A lessor shall classify each of its leases as either an operating lease or a finance lease.

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IL & FS Urban Infrastructure Managers Limited

Note 1: Notes forming part of the financial statements for the year ended March 31, 2026.

The Company in the capacity of lessee has classified each of its leases as short-term leases (having a lease term of 12 months or lower) and has recognised the lease payments as an expense on either a straight-line basis over the lease term or another systematic basis. The related cash flows are classified as Operating activities in the Statement of Cash Flows.

k) Taxation

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

l) Provisions, (other than for employee benefits), contingent liabilities, contingent assets and commitments

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

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IL & FS Urban Infrastructure Managers Limited

Note 1: Notes forming part of the financial statements for the year ended March 31, 2026.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advance) issued to counterparties for supplying / development of assets and amounts pertaining to Investments which have been committed but not called for.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date

m) Cash flow Statements

i) Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

ii) Cash comprises cash on hand, balance in Bank current account and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

n) Earnings Per Share

In determining earnings per share, the Company considers the profit attributable to the owners of the company. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of additional equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date.

o) Goods and Service Tax

Goods and Services Tax ("GST") is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing the credits.

p) Segment reporting:

An operating segment is a component of a Company that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relates to transactions with any of the Company's other components, for which discrete financial information is available, and such information is regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make key decision on operations of the segments and assess its performance. The Company operates in one reportable business segment i.e., "Asset Management and other related services".

q) Operating Cycle

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

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Note 1: Notes forming part of the financial statements for the year ended March 31, 2026.

r) **Functional Currency**

The financial statements are prepared in Indian Rupees, which is the Company's functional and presentation currency.

s) Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

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IL&FS URBAN INFRASTRUCTURE MANAGERS LIMITED
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Notes forming part of the financial statements for the year ended March 31, 2026

Note 2: Property, Plant and Equipment

(Amount in ₹ in Lakhs)

Description of Asset	Leasehold Improvements	Furniture and Fixtures	Office Equipments	Computer	Total
I) Deemed Cost					
Balance as at 1 April 2024	11.66	0.16	10.33	7.61	29.76
Additions	-	0.47	1.04	1.35	2.86
Disposals	-	(0.21)	(2.65)	-	(2.86)
Balance as at 31 March 2025	11.66	0.43	8.73	8.96	29.78
Additions	8.56	-	0.11	0.63	9.30
Disposals	-	-	-	-	-
Balance as at 31 March 2026	20.22	0.43	8.84	9.59	39.08
II) Accumulated Depreciation and impairment					
Balance as at 1 April 2024	8.54	0.16	7.48	6.77	22.95
Deletion on disposal of sale	-	(0.21)	(2.65)	-	(2.86)
Depreciation expense for the year	3.12	-	0.81	0.97	4.90
Balance as at 31 March 2025	11.66	(0.05)	5.63	7.74	24.98
Deletion on disposal of sale	-	-	-	-	-
Depreciation expense for the year	0.78	0.10	1.13	0.65	2.66
Balance as at 31 March 2026	12.44	0.05	6.76	8.39	27.64
III) Net Carrying Amount					
Balance as at 31 March 2025	-	0.48	3.10	1.22	4.80
Balance as at 31 March 2026	7.78	0.38	2.08	1.20	11.44

Other Intangible Assets

(Amount in ₹ in Lakhs)

Description of Assets	Intangible Assets
I) Deemed Cost	
Balance as at 1 April 2024	39.81
Additions	-
Disposal	-
Balance as at 31 March 2025	39.81
Additions	-
Disposals	-
Balance as at 31 March 2026	39.81
II) Accumulated Depreciation and impairment	
Balance as at 1 April 2024	39.81
Deletion on disposal of sale	-
Depreciation expense for the year	-
Balance as at 31 March 2025	39.81
Deletion on disposal of sale	-
Depreciation expense for the year	-
Balance as at 31 March 2026	39.81
III) Net Carrying Amount	
Balance as at 31 March 2025	-#
Balance as at 31 March 2026	-#

Note: The Company has not revalued its Property, Plant and Equipments and other intangible assets during the current FY

# Denotes amount below ₹ 50,000/-

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Notes forming part of the financial statements for the year ended March 31, 2026

Note 3: Other Non-Current Financial Assets

Particulars	**As at March 31, 2026 (₹) in Lakhs**	**As at March 31, 2025 (₹) in Lakhs**
Security Deposits (Unsecured, considered good)	2.40	2.40
Fixed Deposits with maturity more than 12 months	90.00	120.00
Interest Accrued but not due on Fixed Deposits	2.46	1.09
Total	**94.86**	**123.49**

Note 4: Deferred Tax Assets

Particulars	**As at March 31, 2026 (₹) in Lakhs**	**As at March 31, 2025 (₹) in Lakhs**
Deferred Tax Assets (Net)	-	-
Total	-	-

Movement in deferred tax balances:

Amount (₹) in Lakhs

Particulars	**As at March 31, 2026**	**Movement Recognised in profit and loss**	**Movement Recognised in OCI**	**As at March 31, 2025**
Tax effect of items constituting deferred tax assets				
Carried Forward Losses & Unabsorbed Depreciation	92.20	(1.18)	-	93.38
Property, Plant & Equipment	6.56	(0.69)	-	7.25
Provision for employee benefits	5.58	2.15	-	3,44
Expected Credit Loss	121.70	12.98	-	108.72
Total	**226.04**	**13.25**	-	**212.79**
Restricted to Deferred Tax Liabilities	**226.04**	**13.25**	-	**212.79**
Net Tax (Liability)/Asset	-	-	-	-

The Company has not recognised any deferred tax asset as at the reporting date based on the assessment that it is not probable that future taxable profits will be available against which such deferred tax assets can be utilised.

The Company has unused tax losses and unabsorbed depreciation under the head Business Loss as per the Income Tax Act, 1961 as at March 31, 2026. Based on the probable uncertainty regarding the set off these losses, the Company has not recognized deferred tax asset in the Balance Sheet. Details of tax losses and unabsorbed depreciation under:

Amount (₹) in Lakhs

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Within five years	344.84	349.54
More than five years	-	-
No expiry	21.50	21.50
Total	**371.04**	**304.23**

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IL&FS URBAN INFRASTRUCTURE MANAGERS LIMITED
CIN: U67190MH2006PLC162433

Notes forming part of the financial statements for the year ended March 31, 2026

Note 5: Trade Receivables

Particulars	As at March 31, 2026 (`) in Lakhs	As at March 31, 2025 (`) in Lakhs
Trade Receivables		
Trade Receivables – Unsecured	19.15	16.96
Trade Receivables – Significant increase in credit risk	38.26	-
Trade Receivables – Credit Impaired	358.42	337.64
	415.83	**354.60**
Less: Provision for Doubtful Debts and Allowance for Expected Credit Losses	(391.87)	(352.49)
Total Trade Receivable	**23.96**	**2.11**

The Company exposure to credit risk relating to trade receivables and provision for loss allowance is disclosed in Note 29

Ageing of Trade Receivables as on March 31, 2026

	Less than 6 Months	6 Months – 1 Year	1 – 2 Years	2 – 3 Years	More than 3 Years	Total
i) Undisputed Trade Receivables – Considered Good	19.15	-	-	-	-	**19.15**
ii)Undisputed Trade Receivables - which have significant increase in credit risk	38.26	-	-	-	-	**38.26**
iii)Undisputed Trade Receivables - Credit impaired	-	14.96	51.04	61.92	230.50	**358.42**
iv)Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
v)Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
vi)Disputed Trade Receivables – Credit Impaired	-	-	-	-	-	-
Total	**57.41**	**14.96**	**51.04**	**61.92**	**230.50**	**415.83**

Ageing of Trade Receivables as on March 31, 2025

	Less than 6 Months	6 Months – 1 Year	1 – 2 Years	2 – 3 Years	More than 3 Years	Total
i)Undisputed Trade Receivables – Considered Good	16.96	-	-	-	-	**16.96**
ii)Umndisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
iii)Undisputed Trade Receivables – Credit Impaired	16.52	28.69	61.92	32.60	197.91	**337.64**
iv)Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
v)Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
vi)Disputed Trade Receivables – Credit Impaired	-	-	-	-	-	-
Total	**33.48**	**28.69**	**61.92**	**32.60**	**197.91**	**354.60**

Note:-

In determining the allowances for doubtful trade receivables, the company used a practical expedient by computing the expected credit loss allowance for trade receivable by taking into account historical credit loss experience. The expected credit loss allowance is based on ageing of the receivables that are due.

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Notes forming part of the financial statements for the year ended March 31, 2026

Note 6: Cash and cash equivalents

Particulars	As at March 31, 2026 (₹) in Lakhs	As at March 31, 2025 (₹) in Lakhs
(a) Balances with banks		
In current accounts	46.01	74.78
In fixed deposits account with original maturity less than 3 months	2.30	2.43
Total Cash and Cash Equivalents	**48.31**	**77.21**

Note 7: Other Bank Balances

Particulars	As at March 31, 2026 (₹) in Lakhs	As at March 31, 2025 (₹) in Lakhs
(a) Balances with banks		
In fixed deposits account with original maturity more than 3 months	315.00	370.02
Total Other Bank Balances	**315.00**	**370.02**

Note 8: Loans

Particulars	As at March 31, 2026 (₹) in Lakhs	As at March 31, 2025 (₹) in Lakhs
Loan to Employees	4.36	4.50
Total	**4.36**	**4.50**

Note 9: Other current Financial Assets

Particulars	As at March 31, 2026 (₹) in Lakhs	As at March 31, 2025 (₹) in Lakhs
(a) Interest Accrued but Not Due on Fixed Deposits	6.49	3.45
(b)Advances to Employees	-	0.08
(c) Contractually Reimbursable expenses:	137.09	102.39
Less: Allowance for expected Credit Losses	(91.68)	(79.47)
Total Contractually Reimbursable expenses (d)	**45.41**	**22.92**
Total Other Financial Assets (a + b + d)	**51.90**	**26.45**

Note 10: Current Tax Assets

Particulars	As at March 31, 2026 (₹) in Lakhs	As at March 31, 2025 (₹) in Lakhs
Advance payment of Taxes (Net of provision of ₹ 148.64 lakhs (PY ₹ 148.64 lakhs))	246.57	253.99
Total	**246.57**	**253.99**

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Notes forming part of the financial statements for the year ended March 31, 2026

Note 11: Other Current Assets

Particulars	As at March 31, 2026 (₹) in Lakhs	As at March 31, 2025 (₹) in Lakhs
Advances other than Capital Advances		
(i) Balances with Government Authorities (other than Income Taxes)		
(a) Balances with Government Authority (GST)	6.55	7.11
Sub Total (i)	**6.55**	**7.11**
(ii) Others		
(a) Prepaid expenses	1.17	2.04
(b) Advance to Vendor	0.01	-
Sub Total (ii)	**1.18**	**2.04**
Total (i+ii)	**7.73**	**9.15**

Note 12: Equity Share Capital

Particulars	As at March 31, 2026 (₹) in Lakhs	As at March 31, 2025 (₹) in Lakhs
Authorised		
Equity shares of ₹ 10 each with voting rights (20,00,000 - No. of shares)	200.00	200.00
Issued, Subscribed & Paid-up		
Equity shares of ₹ 10 each with voting rights (10,00,000 – No. of shares)	100.00	100.00
Total	**100.00**	**100.00**

i) Reconciliation of the number of shares outstanding at the beginning of the year and end of the year:

Particulars	Opening Balance	Issued during the year	Closing Balance
As at March 31, 2026			
Number of Shares	10,00,000	-	10,00,000
Amounts (₹) in Lakhs	100.00	-	100.00
As at March 31, 2025			
Number of Shares	10,00,000	-	10,00,000
Amounts (₹) in Lakhs	100.00	-	100.00

ii) Details of Holding Company and shareholders holding more than 5% of the share capital:

Particulars	As at March 31,2026		As at March 31,2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
IL&FS Investment Managers Limited (holding company)	10,00,000	100%	10,00,000	100%

iii) Details of promoters holding:

Particulars	As on March 31, 2026			As on March 31, 2025		
Name of Shareholder	No of Shares	%	% Change	No of Shares	%	% Change
IL&FS Investment Managers Limited (holding company)	10,00,000	100	-	10,00,000	100	

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Notes forming part of the financial statements for the year ended March 31, 2026

iv) Terms and rights attached to each class of shares:

Equity Shares:
The Company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share
The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

v) No aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Note 13: Other Equity

Amount (₹) in Lakhs

	General Reserve	Retained Earnings	Total
Balance as at April 1, 2024	87.85	541.09	628.94
Changes in Accounting policy/ prior period errors	-	-	-
Restated balance at the beginning of the previous reporting year	87.85	541.09	628.94
Total Comprehensive Income for the year			
Profit for the year	-	129.12	129.12
Other Comprehensive Income	-	-	
Remeasurement of defined benefit liability (net of taxes)	-	(11.99)	(11.99)
Balance as at March 31, 2025	87.85	658.22	746.07
Changes in Accounting policy/ prior period errors	-	-	-
Restated balance at the beginning of the current reporting year	87.85	658.22	746.07
Total Comprehensive Income for the year			
Profit for the year	-	(76.39)	(76.39)
Other Comprehensive Income	-	-	-
Remeasurement of defined benefit liability (net of taxes)	-	2.96	2.96
Balance as at March 31, 2026	87.85	584.79	672.64

The accompanying Notes are an integral part of the Financial Statements

Nature and purpose of reserve:

i) **General Reserve**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes as the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

ii) **Retained Earnings**

Retained earnings are the profits that the Company has earned till date, add/(less) any transfers from/ (to) general reserve and dividends or other distributions paid to shareholders. Retained earnings includes re-measurement gain/ (loss) on defined benefit obligations, net of taxes that will not be reclassified to Profit and Loss

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Notes forming part of the financial statements for the year ended March 31, 2026

Note 14: Employee benefit obligations

Particulars	**As at March 31, 2026 (₹) in Lakhs**	**As at March 31, 2025 (₹) in Lakhs**
Provision for employee benefits :		
Compensated Absences	4.47	3.80
Total	**4.47**	**3.80**

Disclosure as required under Ind AS 19 on "Employee Benefits" (revised) is as under

a) Defined Contribution Plan

The Company has recognized ₹ 2.31 Lakhs (Previous year ₹ 3.38 Lakhs in the Statement of Profit and Loss under Company's Contribution to Provident Fund, which is maintained with the office of Regional Provident Fund Commissioner, Chennai and ₹ 2.02 Lakhs (Previous year ₹ 3.11 Lakhs) on contribution to Superannuation Fund maintained with Life Insurance Corporation of India

There has been a judgement dated February 28, 2019 from Supreme Court of India in relation to the components of salary structure which need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the Judgement including the effective date of application. The Company has deducted provident fund as per Supreme Court judgement with effect from 01 April 2019. But in the absence of any notification from PF Authorities, the Company has not deducted additional provident fund of previous years yet. The Company will continue to assess any further developments in this matter for the implications on financial statements, if any.

b) Defined Benefit Plans -

The Company operates funded post retirement defined benefit plans for gratuity, details of which are as follows:

Changes in the present value of obligation	**As at March 31, 2026 (₹) in Lakhs**	**As at March 31, 2025 (₹) in Lakhs**
Liability as at the beginning of the year	**23.37**	**41.88**
Add: Interest Cost	1.50	1.71
Add: Current Service Cost	1.32	2.41
Less: Benefits Paid directly by the Company	-	-
Less: Benefits Paid directly from the Assets	(0.19)	(34.80)
Add: Past Service Cost	20.34	-
Add: Settlement Cost	-	-
Add: Curtailment Cost	-	-
Actuarial (gain) / loss (Financial Assumptions)	-	-
Actuarial (gain) / loss (Demographic Assumptions)	-	-
Actuarial (gain) / loss (Experience adjustments)	(2.35)	12.17
Liability as at the end of the year	**43.99**	**23.37**

Changes in the Plan Assets	**As at March 31, 2026 (₹) in Lakhs**	**As at March 31, 2025 (₹) in Lakhs**
Value of Assets as at the beginning of the year	**13.82**	**42.17**
Add: Adjustments to the Opening Balance	-	-
Add: Expected (modified) Return on Assets	1.26	1.88
Add: Contributions made	11.80	4.39
Less Benefits Paid out of the Assets	(0.19)	(34.80)
Return on Plan Assets excluding Expected (modified) income	0.61	0.18
Value of Assets as at the end of the year	**27.30**	**13.82**

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Notes forming part of the financial statements for the year ended March 31, 2026

Other Comprehensive Income (Net Actuarial gain / loss)	For the year ended Mar 31, 2026 (₹) in Lakhs	For the year ended Mar 31, 2025 (₹) in Lakhs
Actuarial (gain) / loss	-	-
experience variance (i.e. Actual experience vs assumptions)	(2.35)	12.17
-change in demographic assumptions	-	-
-change in financial assumptions	-	-
Less Excess Return on Plan Assets over expected returns:	(0.61)	(0.18)
Actuarial (gain) /loss in inter-valuation Period recognized in OCI:	**(2.96)**	**11.99**
Adjustment for Limit on net assets	-	-

Assets and Liability (Balance Sheet Position)	As at March 31, 2026 (₹) in Lakhs	As at March 31, 2025 (₹) in Lakhs
Present value of obligation on the accounting date:	43.99	23.37
Fair Value of Plan Assets on the accounting date:	27.31	13.82
Effect of Asset Ceiling	-	-
Net Asset / (liability)	**16.68**	**9.55**
Funded Status	**16.68**	**9.55**
Unrecognized Liability	-	-

Expense to be recognized in Profit and loss	For the year ended March 31, 2026 (₹) in Lakhs	For the year ended March 31, 2025 (₹) in Lakhs
Net Interest Cost	0.23	(0.17)
Current Service Cost	1.32	2.40
Past Service Cost	20.34	-
Curtailment Cost (Credit)	-	-
Settlement Cost (Credit)	-	-
Expense to be recognized in Profit and loss	**21.89**	**2.23**

Principal Actuarial Assumptions	As at March 31, 2026 (₹)	As at March 31, 2025 (₹)
Discount Rate (Liabilities)	6.85%	6.43%
Interest Rate (Rate of Return on Assets)	6.85%	6.43%
Salary escalation Rate (per annum)	5.00%	6.00%
Resignations Rate (per annum)	10.00%	10.00%
Mortality	IALM (2012-14)	IALM (2012-14)

Reconciliation	As at March 31, 2026 (₹) in Lakhs	As at March 31, 2025 (₹) in Lakhs
Net (Asset) / Liability as at the beginning of the accounting year	9.55	(0.28)
Expenses recognized in profit and loss	21.89	2.23
Transferred to Other Comprehensive Income	(2.96)	11.99
Less: Adjustments to last valuation Closing Balance	-	-
Less: Benefits paid directly by the Company	-	-
Less: Contributions made to the fund	(11.80)	(4.39)
Net (Asset) / Liability recognized in the Balance Sheet as on the accounting date	**16.68**	**9.55**

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Notes forming part of the financial statements for the year ended March 31, 2026

	As at March 31, 2026 (₹) in Lakhs	As at March 31, 2025 (₹) in Lakhs
Actual Return on Plan Assets		
Expected return on Plan Assets	1.26	1.88
Actuarial gain / (loss) on Plan Assets	0.61	0.18
Actual return on Plan Assets	**1.87**	**2.06**

Amount (₹) in Lakhs

As at March 31, 2026	Changes in Assumptions	Impact on define benefit obligation	
		Increase	Decrease
Discount Rate	0.5%	(1.14)	1.19
Salary Escalation Rate	0.5%	0.90	(0.87)
Employee Turnover	0.5%	0.24	(0.25)

Amount (₹) in Lakhs

As at March 31, 2025	Changes in Assumptions	Impact on define benefit obligation	
		Increase	Decrease
Discount Rate	0.5%	(0.69)	0.73
Salary Escalation Rate	0.5%	0.56	(0.55)
Employee Turnover	0.5%	0.06	(0.07)

Other Details

The employer's best estimate of the contributions expected to be paid to the plan during the next 12 months is Nil (Previous year- Nil). The estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors. The above information is certified by the actuary and relied upon by the Auditors.

Note 15: Trade Payables:

Amount (₹) in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Payables		
Total outstanding dues from Micro Enterprises and Small Enterprises	-	-
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	3.63	4.56
Total Trade Payables	**3.63**	**4.56**

Note: According to the records available with the Company, there were no dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act 2006. Hence no disclosures are to be given in respect thereof. This has been provided by the Company and relied upon by the auditors.

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Notes forming part of the financial statements for the year ended March 31, 2026

The Company exposure to liquidity risk relating to trade payables is disclosed in Note 29

Ageing of Trade Payables as on March 31, 2026

	Unbilled Dues	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-	-	
Others	2.18	-	-	0.29	-	1.16	**3.63**
Disputed Dues – MSME	-	-	-	-	-	-	-
Disputed Dues – Others	-	-	-	-	-	-	-
Total	2.18	-	-	0.29	-	1.16	**3.63**

Ageing of Trade Payables as on March 31, 2025

	Unbilled Dues	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-	-	-
Others	1.66	-	1.74	1.16	-	--	**4.56**
Disputed Dues - MSME	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-	-
Total	**1.66**	-	**1.74**	**1.16**	-	-	**4.56**

Note 16: Other Current Financial Liabilities

Particulars	**As at March 31, 2026 (₹) in Lakhs**	**As at March 31, 2025 (₹) in Lakhs**
Other Payables - LTA Payable	1.03	0.31
Other Payables* - Payable to PMDO Lenders	2.64	3.86
Total	**3.67**	**4.17**

*Pertains to funds received on account of one time settlement (OTS) by Shalivahana (MSW) to the PMDO Lenders. This amount has been received by the company as deposit on behalf of PMDO Lenders (which has been considered the OTS proposal of this case) and kept in the capacity of Asset Manager. This money has to be released to PMDO Lenders on receipt of OTS sanction

Note 17: Other Current Liabilities

Particulars	**As at March 31, 2026 (₹) in Lakhs**	**As at March 31, 2025 (₹) in Lakhs**
Statutory Dues	3.04	2.90
Total	**3.04**	**2.90**

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IL & FS Urban Infrastructure Managers Limited

IL&FS URBAN INFRASTRUCTURE MANAGERS LIMITED
CIN: U67190MH2006PLC162433

Notes forming part of the financial statements for the year ended March 31, 2026

Note 18: Employee benefit obligations

Particulars	As at March 31, 2026 (₹) in Lakhs	As at March 31, 2025 (₹) in Lakhs
Provision for Compensated Absences	-	0.67
Provision for Gratuity Payable	16.68	9.55
Total	**16.68**	**10.22**

Note 19: Revenue from Operations

Revenue from operations comprises of

Particulars	For the year ended March 31, 2026 (₹) in Lakhs	For the year ended March 31, 2025 (₹) in Lakhs
Asset Management Fees	140.72	103.59
Professional Fees	1.00	10.00
Total	**141.72**	**113.59**

Note 20: Other Income

Particulars	For the year ended March 31, 2026 (₹) in Lakhs	For the year ended March 31, 2025 (₹) in Lakhs
(a) Interest on Fixed Deposits and Loans	24.62	19.77
(b) Interest on Income Tax Refund#	0.67	-
(c) Profit on sale of assets	-	0.35
(d) Provision/liability no longer required written back*	-	8.12
(e) Miscellaneous Income	0.03	0.38
(f) Reversal of ECL on Trade Receivables	-	145.76
(g) Reversal of ECL on OPE	-	54.09
(h) Bad Debts written off earlier, now recovered**	-	15.51
(i) Interest on Loans to employees	0.42	0.46
Total	**25.74**	**244.44**

*Provision/payables of ₹ Nil (PY - ₹ 8.12) have been written back, since excess provision was made in the earlier years

Note: #**CY:** Income Tax refund of ₹ 12.87 Lakhs received for the FY 2024-25 on March 27, 2026. TDS Receivable A.Y. 2025-26 (₹ 12.20) Lakhs and Interest on IT refund of (₹ 0.67) Lakhs

****PY:** It comprises of (a) ₹ 14.70 Lakhs has been received as interim distribution from IL&FS Financial Services Ltd against written off amount of ₹ 212.99 Lakhs towards ICD (b) Excess amount of ₹ 0.81 Lakhs was received in case of Hemasri Power Projects Ltd (on sale of project assets by PMDO Lenders under SARFAESI Act) over and above the receivables (₹ 71.75 Lakhs was received against book receivables of ₹ 70.94 Lakhs). This excess amount was accounted as recovery of bad debts written off in earlier years of ₹ 343.77 Lakhs on this account

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CIN: U67190MH2006PLC162433

Notes forming part of the financial statements for the year ended March 31, 2026

Note 21: Employee Benefits Expenses

Particulars	For the year ended March 31, 2026 (₹) in Lakhs	For the year ended March 31, 2025 (₹) in Lakhs
Salaries, Bonus & Allowances	70.70	111.08
Contribution to Provident & other funds	26.22	8.72
Staff welfare expenses	8.30	9.99
Total	**105.22**	**129.79**

Note:-

a) All eligible employees are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and employer (at a determined rate) contribute monthly. The company contributes as specified under the law to the provident fund set up as a trust and to the respective regional provident fund commissioner. The company contributes to the provident fund where setup as a trust are liable for future provident fund benefits to the extent of its annual contribution and any shortfall in fund assets based on government specified minimum rates of return relating to current period service and recognises such contribution and shortfall, if any, as an expenses in the year incurred.

b) All eligible employees are entitled to benefits under gratuity, a defined contribution plan.

Note 22: Other Expenses

Particulars	For the year ended March 31, 2026 (₹) in Lakhs	For the year ended March 31, 2025 (₹) in Lakhs
Electricity and Water Charges	1.12	1.31
Rent	10.94	10.00
Repairs and Maintenance	2.41	1.89
Insurance	0.09	0.06
Rates and Taxes	0.21	5.08
Postage and Telecommunication	1.33	1.35
Travelling and Conveyance	6.78	8.71
Printing and Stationery	1.04	0.52
Payment to auditors (refer note below)	3.44	3.31
General Expenses *	5.58	7.10
Expected Credit Loss on account of Trade Receivables & OPE	73.75	-
Provision for ECL less Bad debts pending in previous year	-	80.12
Total	**106.69**	**39.33**

** Includes housekeeping charges, office maintenance and others*

Amount paid / payable to the statutory auditors is as below:

Particulars	For the year ended March 31, 2026 (₹) in Lakhs	For the year ended March 31, 2025 (₹) in Lakhs
Statutory Audit	1.00	1.00
Limited review of quarterly results	2.25	2.25
Reimbursement of Out of pocket expenses	0.19	0.06
Total	**3.44**	**3.31**

Above amounts exclude GST

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IL&FS URBAN INFRASTRUCTURE MANAGERS LIMITED
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Notes forming part of the financial statements for the year ended March 31, 2026

Note 23- Disclosures as required by the Ind AS-24 on "Related Party Disclosures" are made below:

a) Details of Related Parties:-

Sr	**Ultimate Holding Company**
1	Infrastructure Leasing & Financial Services Limited (IL&FS)
	Holding Company
1	IL&FS Investment Managers Limited
	Fellow Subsidiaries
1	IL&FS Financial Services Limited ("IFIN")

The Company is dependent on information from the IL&FS for its Related Parties as defined under Ind AS 24 and under the CA 2013. Based on this, related parties were identified and transactions were reported here.

b) Details of related party outstanding balances

(Amount in ₹ in Lakhs)

Sr. No.	Nature of Transaction	Balances as at March 31, 2026	Balances as at March 31, 2025
1	**IL&FS**	-	-
2	**IL&FS Financial Services Ltd**		
	Other financial Assets - Contractually reimbursable expenses & Others	28.08	44.30
	Trade Payable	(1.16)	(1.16)

Note: The above are balances excluding Goods & Service Tax

Company has made 100% provisioning in respect of AMC fees recoverable and/or OPE recoverable in respect of IL&FS Financial Services Limited

Transactions during the year with related parties

(Amount in ₹ in Lakhs)

Sr. No.	Nature of Transaction	For the year ended March 31, 2026	For the year ended March 31, 2025
1	**IL&FS**		
	Expense		
	Rent	5.56	5.56
	Car Parking Charges	-	0.24
	Reimbursement of Expenses	1.02	1.01
2	**IL&FS Financial Services Ltd**		
	Income		
	Reimbursement of Expenses claimed	5.07	10.50
	AMC Fee Income	-	10.24

Note: Related Party list and transactions are as identified by the management and relied upon by the auditors

Note: All the transaction with the related parties are priced on an Arm's Length basis

IL&FS URBAN INFRASTRUCTURE MANAGERS LIMITED
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Notes forming part of the financial statements for the year ended March 31, 2026

Note 24- Earning Per Share

In accordance with the Indian Accounting Standard on 'Earnings Per Share' (Ind AS-33), the Basic Earnings Per Share and Diluted Earnings Per Share has been computed by dividing the Profit After Tax by the number of weighted shares for the respective year as under:

Particulars	For the year ended March 31, 2026 (₹) in Lakhs	For the year ended March 31, 2025 (₹) in Lakhs
Net profit/(Loss) after Tax (in Lakhs)	(76.39)	129.12
Weighted average number of equity shares used in computing earnings per share (Nos.)	1,000,000	1,000,000
Basic & diluted earnings per share	(7.64)	12.91
Nominal value per share	10	10

Note 25 - Segment Reporting:

a) **Description of segments and principal activities**

The Company is in the business of providing Asset management and other related services in India. As such, there are no separate reportable business segments or geographical segment as per Indian Accounting Standard 108 on "Operating Segment". It is considered appropriate by the Management to have a single segment i.e. "Asset Management and other related services"

b) **Segment Revenue**

The Company is in the business of providing asset management and advisory services only in India.

c) All assets of the Company are domiciled in India.

d) Information about revenue from major customers

During the year, there are 2 (two) parties (Previous Year – no parties) which is contributing in excess of 10 % of the total revenue of the Company. The amounts for the same are as follows:

Particulars	For the year ended March 31, 2026 (₹) in Lakhs	For the year ended March 31, 2025 (₹) in Lakhs
Revenue	75.23	-

Note 26- Contingent liabilities and commitments (to the extent not provided for) – There are Nil contingent liabilities and commitments as on March 31, 2026

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IL&FS URBAN INFRASTRUCTURE MANAGERS LIMITED
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Notes forming part of the financial statements for the year ended March 31, 2026

Note 27- Income Tax Expense

Particulars	March 31, 2026 (₹) in Lakhs	March 31, 2025 (₹) in Lakhs
a) Income tax expense		
Current Tax	-	-
Current tax on profit for the year	-	-
Deferred tax	-	-
Income tax short provision of earlier years	-	-
Total income tax expense	-	-
b) Reconciliation of tax expense and accounting profit multiplied by Indian tax rate		
Profit/(Loss) from operations before income tax expenses	(76.39)	129.12
Indian tax rate	25.17%	25.17%
Tax on profit/loss	(19.23)	32.50
Tax effect of amounts which are not deductible (allowable) in calculating taxable income		
Deduction under various sections of Income Tax Act, 1961	19.23	(32.50)
Total Income tax expenses	-	-

Note 28 - Fair Value Measurement

(a) Financial Instruments by Category

(Amount in ₹ in Lakhs)

March 31, 2026	**Carrying amount** **Fair value through profit and loss**	**Fair value through other comprehensive income**	**Amortised Cost**	**Total**
Financial assets				
Security Deposits	-	-	2.40	2.40
Trade Receivables	-	-	23.96	23.96
Loans to Employees (Current)	-	-	4.36	4.36
Fixed Deposits with maturity more than 12 months	-	-	90.00	90.00
Interest Accrued but not due on Fixed Deposits			2.46	2.46
Cash & Cash equivalents			48.31	48.31
Other Bank Balances			315.00	315.00
Other Financial Assets			51.91	51.91
Total Financial Asset	-	-	**538.40**	**538.40**
Financial Liabilities				
Trade Payables	-	-	3.63	3.63
Others	-	-	3.68	3.68
Total Financial Liabilities	-	-	**7.31**	**7.31**

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Notes forming part of the financial statements for the year ended March 31, 2026

March 31,2025	Carrying amount			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total
Financial assets				
Security Deposits	-	-	2.40	2.40
Trade Receivables	-	-	2.11	2.11
Loans to Employees (current)	-	-	4.50	4.50
Fixed Deposits with maturity more than 12 months	-	-	120.00	120.00
Interest Accrued but not due on Fixed Deposits			1.09	1.09
Cash & Cash equivalents			77.21	77.21
Other Bank Balances			370.02	370.02
Other Financial Assets			26.45	26.45
Total Financial Asset	-	-	**603.78**	**603.78**
Financial Liabilities				
Trade Payables	-	-	4.56	4.56
Others	-	-	4.17	4.17
Total Financial Liabilities	-	-	**8.73**	**8.73**

Note 29- Financial Risk Management

The Company has exposure to the following risks from financial instruments:

1. Credit risk
2. Liquidity risk
3. Market Risk

Risk management framework

The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. Management continually monitors the risk management process to ensure adherence to appropriate risk limits and controls are set in place.

The Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company.

At the end of the year, the details of the trade receivables were as follows:

Particulars	As at March 31, 2026 (₹) in Lakhs	As at March 31,2025 (₹) in Lakhs
Trade Receivable	415.83	354.60
Provision for Expected credit loss	391.87	352.49

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Notes forming part of the financial statements for the year ended March 31, 2026

Reconciliation of expected credit loss on trade receivables

Particulars	**As at March 31, 2026 (₹) in Lakhs**	**As at March 31,2025 (₹) in Lakhs**
Expected credit loss at the beginning of the year	352.49	578.37
Add/(less): changes in allowance (including balances written off during the year)	39.38	(225.88)
Expected credit loss at the end of the year	391.87	352.49

Other financial assets comprises of interest accrued on fixed deposits and advances recoverable on account of reimbursement of out of pocket expenses and advance given to employees. Provision is created on a case to case basis depending on circumstances with respect to non-recoverability of the amount. At the end of the year, the details were as follows:

Particulars	**As at March 31, 2026 (₹) in Lakhs**	**As at March 31, 2025 (₹) in Lakhs**
Interest Accrued But Not Due on Fixed Deposits & Inter Corporate Deposit	6.49	3.45
(A)	**6.49**	**3.45**
Advances to Employees (B)	-	**0.08**
Contractually Reimbursable expenses:	137.09	102.39
Less: Provision for expected Credit Losses	(91.68)	(79.47)
(C)	**45.41**	**22.92**
Security Deposits (Unsecured, considered good) (D)	**2.40**	**2.40**
Fixed Deposits with maturity more than 12 months (E)	**90.00**	**120.00**
Interest Accrued but not due on Fixed Deposits (F)	**2.46**	**1.09**
Total Other Financial Assets (A+B+C+D+E+F)	**146.76**	**149.94**

Reconciliation of expected credit loss on Contractually Reimbursable expenses

Particulars	**As at March 31, 2026 (₹) in Lakhs**	**As at March 31, 2025 (₹) in Lakhs**
Expected credit loss at the beginning of the year	79.47	133.55
Add/(less): changes in allowance (including balances written off during the year)	34.37	(54.08)
Add/(less): Balances written off during the year	22.16	-
Expected credit loss at the end of the year	91.68	79.47

Cash and cash equivalents are held with banks having high quality credit rating.

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Notes forming part of the financial statements for the year ended March 31, 2026

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company maintains sufficient cash to address any liquidity risk that may arise.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Maturity profile of financial liabilities

Particulars	As at March 31, 2026 (₹) in Lakhs	As at March 31,2025 (₹) in Lakhs
Less than 1 year		
Non-interest-bearing instrument		
Trade payable	3.63	4.56
Other financial liabilities	3.68	4.17

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, equity prices and credit spreads (not relating to changes in the obligor's/issuer's credit standing) will affect the Company's income or the fair value of its holdings of financial instruments. The Company's financial assets and liabilities are denominated in ₹ and all transactions are made in ₹.

Interest rate risk

The Company is not exposed to interest rate risk as the Company has fixed interest bearing financial assets.

Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. As part of its capital risk management policies, the Company reviews the capital structure to ensure that it has an appropriate portion of net debt to equity. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short-term investments. The debt equity ratio highlights the ability of a business to repay its debts. The Net financial debt position of the company as on March 31, 2026 and March 31, 2025 is negative which signifies the company has more than sufficient cash to pay off its liabilities.

Note 30:

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 Ultimate 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. The Holding Company has received the "Summary of Charges" sent by the Ministry of Corporate Affairs through IL&FS, based on which the ultimate Holding Company has submitted the necessary response.

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Notes forming part of the financial statements for the year ended March 31, 2026

Note 31:

On November 21, 2025, the Government of India notified the provisions of the Labour Codes, which consolidate twenty-nine existing labour laws into a unified framework governing employee benefit during and after employment. Among other changes, the Codes introduce a uniform definition of wages and revise certain employee entitlements. The Company has evaluated and disclosed the incremental impact of these changes based on the position presently ascertainable, in line with the guidance issued by the Institute of Chartered Accountants of India. The Company has recognised an incremental expense of ₹ 20.34 Lakhs, relating to gratuity obligation, which been presented as part of employee benefit expenses representing past service cost for the year ended 31 March 2026. The Company continues to monitor the finalisation of Central and State rules, as well as any further clarifications issued by the Government, and will incorporate any additional accounting implications as required in future periods.

Note 32:

Management expects that its future income from liquid assets and existing operations of the Company as at March 31, 2026 will be sufficient to meet at least Company's existing and future obligations arising over next 12 months. Management believes that use of the going concern assumption for preparation of these financial statements is appropriate.

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Notes forming part of the financial statements for the year ended March 31, 2026

Note 33: Key Managerial Ratios:

Particulars	Numerator	Denominator	March 31, 2026	March 31, 2025	Variance	Explanation*
Current Ratio (times)	Current Asset	Current Liabilities	43.62	40.63	7.37	Not Applicable
Debt-Equity Ratio (times)	Total Debt	Shareholders' Equity	N/A	N/A	N/A	Not Applicable
Debt Service Coverage Ratio (times)	Earnings available for debt service	Debt Service	N/A	N/A	N/A	Not Applicable
Return on Equity Ratio (times)	Net Profit After Tax	Average Shareholders' Equity	(0.09)	0.16	(157.57)	Due to provisions on account of Expected Credit Loss on Trade Receivables and OPE, there is decline in Net profit after tax
Return on Capital Employed (%)	Earnings before Interest and Taxes	Capital Employed	(0.10)	0.15	(164.06)	Due to provisions on account of Expected Credit Loss on Trade Receivables and OPE, there is decline in Net profit after tax
Inventory Turnover Ratio (times)	Cost of Goods Sold	Average Inventory	N/A	N/A	N/A	Not Applicable
Trade Receivable Turnover Ratio (times)	Revenue from Operations	Average Trade Receivables	10.87	7.76	40.00	Due to an increase in revenue, the ratio is improved
Trade Payable Turnover Ratio (times)	Purchase or Other Services	Average Trade Payables	N/A	N/A	N/A	Not Applicable
Net Working Capital Turnover Ratio (times)	Revenue from Operations	Net Working Capital	0.32	0.26	21.37	Not Applicable
Net Profit Ratio (%)	Net Profit after Tax	Revenue from Operations	(0.54)	1.00	(153.90)	Due to provisions on account of Expected Credit Loss on Trade Receivables and OPE, there is decline in Net profit after tax
Return on Investment (%)	Income during the year	Time weighted average of investment	N/A	N/A	N/A	Not Applicable

***Reason in case variation is more than 25%**

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Notes forming part of the financial statements for the year ended March 31, 2026

Note 34: Other Statutory Information:

(i) The Company has not revalued its Property, Plant and Equipment's, thus valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuer and Valuation Rules, 2017 is not applicable.

(ii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

(iv) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

(v) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender

(vi) The Company has not entered in to any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vii) The Company is in compliance with the number of layers prescribed under Clause (87) of Section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(viii) No Scheme of arrangement has been approved by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013 during the year ended March 31, 2026 and 31 March 31, 2025.

(ix) During the year ended March 31, 2026 and March 31, 2025, the Company has not obtained any borrowings on the basis of security, hence disclosure relating to same is not applicable.

Note 35: The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the financial year

Note 36: The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company. Accordingly, no CSR expenditure has been incurred during the year

Note 37: The Company has not advanced or loaned or invested funds to any other person(s) or entity (ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

Note 38 The Company has not received any fund from any person(s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Note 39: The Company maintains its books of account on accounting software with an audit trail (edit log) feature for every transaction, in line with the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014. The audit trail remained enabled and operated consistently throughout the financial year for all transactions. Procedures are in place for periodic backups of audit trail records; during the year, backups were taken on a weekly basis instead of a daily basis. Management evaluated the risk arising from weekly backups and confirms that no instances of loss, alteration, or compromise of audit trail records came to its attention during the year; given the limited number of transactions, the residual risk is assessed as low. Except for the backup frequency being weekly rather than daily, all requirements relating to maintenance, preservation, and accessibility of audit trail records were complied with.

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Notes forming part of the financial statements for the year ended March 31, 2026

Note 40 Previous year's figures have been regrouped / reclassified wherever necessary to make them comparable with the current year's classification / disclosure.

The accompanying Notes form an integral part of the Financial Statements1

In terms of our report attached
For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration No: 105146W/W100621

kkc & associates llp Chartered Accountants KK

Bharat Jain
Partner
Membership No. 100583
Place: Mumbai
Date: May 29, 2026

For IL&FS Urban Infrastructure Managers Ltd and on behalf of the Board

Lubna Ahmad Usman
Director
DIN: 08299976
Place: Mumbai
Date: May 29, 2026

Arvind Iyengar
Director
DIN: 07022646

IL & FS Urban Infrastructure Managers Limited