

## **INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF IL&FS INVESTMENT MANAGERS LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **IL&FS INVESTMENT MANAGERS LIMITED** ("the Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") for the Quarter and Nine Months ended December 31, 2014 (the "Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 7 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. The Statement includes the results of the following entities:
  - i. IL&FS Investment Managers Limited
  - ii. IL&FS Asian Infrastructure Managers Limited
  - iii. IL&FS Urban Infrastructure Managers Limited
  - iv. IL&FS Investment Advisors LLC
  - v. IIML Advisors LLC
  - vi. IIML Asset Advisors Limited
  - vii. Saffron Investment Trust
  - viii. IIML Fund Managers (Singapore) Pte. Ltd.
  - ix. IL&FS Milestone Realty Advisors Private Limited
  - x. Standard Chartered IL&FS Management (Singapore) Pte. Limited
4. We did not review the interim financial results of three subsidiaries included in the consolidated financial results, whose interim financial results reflect total revenues of Rs. 3,604.47 lakhs and Rs. 10,401.64 lakhs for the Quarter and Nine Months ended December 31, 2014, respectively, and total profit after tax of Rs. 693.78 lakhs and Rs. 1,938.07 lakhs for the Quarter and Nine Months ended December 31, 2014, respectively, as considered in the consolidated financial results. These interim financial results have been reviewed by other

auditors whose reports have been furnished to us by the Management and our report on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.

5. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The consolidated financial results include the interim financial results of one Jointly Controlled Entity which has not been reviewed by its auditor, whose interim financial results reflect total revenue of Rs. 273.37 lakhs and Rs. 749.37 lakhs for the Quarter and Nine Months ended December 31, 2014, respectively, and total profit after tax of Rs. 13.77 lakhs and Rs. 4.02 lakhs for the Quarter and Nine Months ended December 31, 2014, respectively, as considered in the consolidated financial results. These interim financial results have been certified by the Management of the entity and, our report on the Statement, in so far as it relates to amounts included in respect of this entity, is based solely on such certified interim financial results. Any adjustment to these interim financial results could have consequential effects on the attached Statement. However, the size of the entity in the context of the Group is not material. Our report is not qualified in respect of this matter.
7. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter and Nine Months ended December 31, 2014 of the Statement, from the details furnished by the Management and the Registrars, respectively.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Registration No.117366W/W-100018)



Kalpesh J. Mehta  
Partner

(Membership No. 48791)

**MUMBAI**, January 29, 2015  
KJM/RND

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

**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED  
DECEMBER 31, 2014**

**PART I**

| Particulars                                                                                       | (₹ in Lakhs)                               |                                            |                                            |                                                |                                                |                                       |
|---------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|--------------------------------------------|------------------------------------------------|------------------------------------------------|---------------------------------------|
|                                                                                                   | Quarter Ended<br>31.12.2014<br>(Unaudited) | Quarter Ended<br>30.09.2014<br>(Unaudited) | Quarter Ended<br>31.12.2013<br>(Unaudited) | Nine Months Ended<br>31.12.2014<br>(Unaudited) | Nine Months Ended<br>31.12.2013<br>(Unaudited) | Year Ended<br>31.03.2014<br>(Audited) |
| 1) (a) Income from Operations                                                                     | 4,852.66                                   | 4,552.92                                   | 5,122.55                                   | 13,801.46                                      | 15,388.59                                      | 20,822.07                             |
| (b) Other Operating Income                                                                        | 148.47                                     | 114.82                                     | 103.14                                     | 441.89                                         | 500.48                                         | 636.55                                |
| Total income from operations (net)                                                                | 5,001.13                                   | 4,667.74                                   | 5,225.69                                   | 14,243.35                                      | 15,889.07                                      | 21,458.62                             |
| 2) Expenses :                                                                                     |                                            |                                            |                                            |                                                |                                                |                                       |
| (a) Employee benefits expense                                                                     | 1,280.41                                   | 1,162.34                                   | 1,516.64                                   | 3,985.60                                       | 4,634.20                                       | 6,122.22                              |
| (b) Depreciation and Amortisation expense                                                         | 490.74                                     | 482.09                                     | 490.63                                     | 1,437.18                                       | 1,418.00                                       | 1,895.54                              |
| (c) Legal and Professional expense                                                                | 324.50                                     | 283.61                                     | 372.83                                     | 865.58                                         | 1,078.98                                       | 1,483.43                              |
| (d) Sub-advisory Fees                                                                             | 137.38                                     | 142.33                                     | 91.88                                      | 420.62                                         | 429.47                                         | 688.20                                |
| (e) Other expense                                                                                 | 589.75                                     | 743.99                                     | 470.69                                     | 1,865.61                                       | 1,461.82                                       | 1,946.40                              |
| Total Expenses                                                                                    | 2,822.78                                   | 2,814.36                                   | 2,942.67                                   | 8,574.59                                       | 9,022.47                                       | 12,135.79                             |
| 3) Profit from Operations before Other Income, Finance costs and Exceptional Items (1-2)          | 2,178.35                                   | 1,853.38                                   | 2,283.02                                   | 5,668.76                                       | 6,866.60                                       | 9,322.83                              |
| 4) Other Income                                                                                   | 149.54                                     | 193.74                                     | 178.19                                     | 843.83                                         | 816.67                                         | 829.56                                |
| 5) Profit from Ordinary Activities before Finance costs and Exceptional Items (3+4)               | 2,327.89                                   | 2,047.12                                   | 2,461.21                                   | 6,512.59                                       | 7,683.27                                       | 10,152.39                             |
| 6) Finance costs                                                                                  | -                                          | -                                          | 4.90                                       | -                                              | 77.37                                          | 77.90                                 |
| 7) Profit from Ordinary Activities after Finance costs but before Exceptional Items (5-6)         | 2,327.89                                   | 2,047.12                                   | 2,456.31                                   | 6,512.59                                       | 7,605.90                                       | 10,074.49                             |
| 8) Exceptional Items                                                                              | -                                          | -                                          | -                                          | -                                              | -                                              | -                                     |
| 9) Profit from Ordinary Activities before tax (7+8)                                               | 2,327.89                                   | 2,047.12                                   | 2,456.31                                   | 6,512.59                                       | 7,605.90                                       | 10,074.49                             |
| 10) Tax expense                                                                                   | 453.14                                     | 461.75                                     | 575.87                                     | 1,514.31                                       | 1,929.92                                       | 2,788.16                              |
| 11) Net Profit from Ordinary Activities after tax (9-10)                                          | 1,874.75                                   | 1,585.37                                   | 1,880.44                                   | 4,998.28                                       | 5,675.98                                       | 7,286.33                              |
| 12) Extraordinary Item (net of tax expense)                                                       | -                                          | -                                          | -                                          | -                                              | -                                              | -                                     |
| 13) Net Profit for the period/year (11-12)                                                        | 1,874.75                                   | 1,585.37                                   | 1,880.44                                   | 4,998.28                                       | 5,675.98                                       | 7,286.33                              |
| 14) Share of profit/(loss) of associate                                                           | -                                          | -                                          | -                                          | -                                              | -                                              | -                                     |
| 15) Minority Interest                                                                             | 0.94                                       | 0.72                                       | 10.44                                      | 5.96                                           | 28.07                                          | 37.60                                 |
| 16) Net Profit after taxes, minority interest and share of profit/(loss) of associates (13+14-15) | 1,873.81                                   | 1,584.65                                   | 1,870.00                                   | 4,992.32                                       | 5,647.91                                       | 7,248.73                              |
| 17) Paid-up equity share capital (Shares of Face Value of ₹ 2/- each)                             | 6,280.85                                   | 6,280.85                                   | 6,272.04                                   | 6,280.85                                       | 6,272.04                                       | 6,272.04                              |
| 18) Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year       |                                            |                                            |                                            |                                                |                                                | 26,361.99                             |
| 19) Earnings Per Share (₹) (before and after Extraordinary Item) (Face Value of ₹ 2/- each)       |                                            |                                            |                                            |                                                |                                                |                                       |
| - Basic (Not Annualised)                                                                          | 0.60                                       | 0.50                                       | 0.60                                       | 1.59                                           | 1.80                                           | 2.31                                  |
| - Diluted (Not Annualised)                                                                        | 0.60                                       | 0.50                                       | 0.60                                       | 1.59                                           | 1.80                                           | 2.31                                  |

*Handwritten signatures and initials:*  
MB  
HJM  
Q

**PART II : Select Information for the Quarter and Nine months ended December 31, 2014**

| Particulars                                                                                  | Quarter Ended<br>31.12.2014<br>(Unaudited) | Quarter Ended<br>30.09.2014<br>(Unaudited) | Quarter Ended<br>31.12.2013<br>(Unaudited) | Nine Months Ended<br>31.12.2014<br>(Unaudited) | Nine Months Ended<br>31.12.2013<br>(Unaudited) | Year Ended<br>31.03.2014<br>(Audited) |
|----------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|--------------------------------------------|------------------------------------------------|------------------------------------------------|---------------------------------------|
| <b>A) PARTICULARS OF SHAREHOLDING</b>                                                        |                                            |                                            |                                            |                                                |                                                |                                       |
| 1) Public shareholding                                                                       |                                            |                                            |                                            |                                                |                                                |                                       |
| (a) Number of shares                                                                         | 155,699,588                                | 155,699,588                                | 155,258,963                                | 155,699,588                                    | 155,258,963                                    | 155,258,963                           |
| (b) Percentage of shareholding                                                               | 49.58                                      | 49.58                                      | 49.51                                      | 49.58                                          | 49.51                                          | 49.51                                 |
| 2) Promoters and Promoter Group Shareholding                                                 |                                            |                                            |                                            |                                                |                                                |                                       |
| (a) Pledged/Encumbered                                                                       |                                            |                                            |                                            |                                                |                                                |                                       |
| – Number of shares                                                                           | 158,333,152                                | 158,333,152                                | 158,333,152                                | 158,333,152                                    | 158,333,152                                    | 158,333,152                           |
| – Percentage of shares (as a % of the total shareholding of the Promoter and Promoter Group) | 100                                        | 100                                        | 100                                        | 100                                            | 100                                            | 100                                   |
| – Percentage of shares (as a % of the total share capital of the Company)                    | 50.42                                      | 50.42                                      | 50.49                                      | 50.42                                          | 50.49                                          | 50.49                                 |
| (b) Non-encumbered                                                                           |                                            |                                            |                                            |                                                |                                                |                                       |
| – Number of shares                                                                           | -                                          | -                                          | -                                          | -                                              | -                                              | -                                     |
| – Percentage of shares (as a % of the total shareholding of the Promoter and Promoter Group) | -                                          | -                                          | -                                          | -                                              | -                                              | -                                     |
| – Percentage of shares (as a % of the total share capital of the Company)                    | -                                          | -                                          | -                                          | -                                              | -                                              | -                                     |

|                               | Particulars                                    | 3 months ended 31.12.2014 |
|-------------------------------|------------------------------------------------|---------------------------|
| <b>B) INVESTOR COMPLAINTS</b> |                                                |                           |
|                               | Pending at the beginning of the quarter        | -                         |
|                               | Received during the quarter                    | 39                        |
|                               | Disposed of during the quarter                 | 39                        |
|                               | Remaining unresolved at the end of the quarter | -                         |

**NOTES :**

- The aforesaid consolidated unaudited financial results of IL&FS Investment Managers Limited (the “Company”), its subsidiaries and jointly controlled entities (together constituting the “Group”) for the quarter and nine months ended December 31, 2014 have been reviewed by the Audit Committee at its meeting held on January 28, 2015 and approved by the Board of Directors at its meeting held on January 29, 2015. The results for the quarter and nine months ended December 31, 2014 is subjected to limited review by the Statutory Auditors of the Company
- The Consolidated Financial Statements are prepared in accordance with the principles and procedures set out in Accounting Standard (AS 21) on “Consolidated Financial Statements” which consists of the accounts of the Company, its subsidiaries i.e. IL&FS Asian Infrastructure Managers Limited, IL&FS Urban Infrastructure Managers Limited, IIML Asset Advisors Limited, IL&FS Investment Advisors LLC, Saffron Investment Trust, IIML Advisors LLC and IIML Fund Managers (Singapore) Pte Limited which are based on their respective reviewed accounts and investments in jointly controlled entities i.e. IL&FS Milestone Realty Advisors Private Limited which is based on reviewed accounts and Standard Chartered IL&FS Management (Singapore) Pte Ltd which is based on management accounts, have been accounted for by using the proportionate consolidation method in accordance with Accounting Standard (AS 27) on “Financial Reporting of Interests in Joint Ventures”
- The Group is in the business of providing asset management and other related service. As such, there are no separate reportable business or geographical segments as per Accounting Standard 17 on “Segment Reporting”
- Tax expense for the nine months ended December 31, 2014 is net of deferred tax credit of ₹ 147.02 lakhs (Previous period ₹ 54.38 lakhs)



- 5) The summarised standalone audited financial results of the Company are as below. The detailed standalone unaudited financial results of the Company are available on the Company's website [www.iimlindia.com](http://www.iimlindia.com)

| Particulars       | Quarter Ended<br>31.12.2014 | Quarter Ended<br>30.09.2014 | Quarter Ended<br>31.12.2013 | Nine Months Ended<br>31.12.2014 | Nine Months Ended<br>31.12.2013 | Year Ended<br>31.03.2014 |
|-------------------|-----------------------------|-----------------------------|-----------------------------|---------------------------------|---------------------------------|--------------------------|
|                   | (Unaudited)                 | (Unaudited)                 | (Unaudited)                 | (Unaudited)                     | (Unaudited)                     | (Audited)                |
| Revenue           | 2,265.21                    | 2,377.30                    | 2,420.49                    | 7,101.91                        | 7,939.25                        | 11,511.63                |
| Profit before tax | 1,415.91                    | 1,483.23                    | 1,366.38                    | 4,695.39                        | 4,968.33                        | 7,635.59                 |
| Profit after tax  | 1,041.09                    | 1,071.00                    | 950.18                      | 3,426.75                        | 3,488.21                        | 5,376.19                 |

- 6) The figures for the current quarter and the corresponding quarter in the previous year are the balancing figures between the unaudited figures in respect of the nine months ended December 31 and the audited published figures for the half year ended September 30
- 7) Figures for the previous periods / year have been regrouped and rearranged wherever considered necessary

By Order of the Board

*A. Hingorani*

Archana Hingorani  
Chief Executive Officer & Executive Director

Mumbai, January 29, 2015

*[Signature]*

*[Signature]*