

kkc & associates llp

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Independent Auditor's report on annual consolidated financial results of IL&FS Investment Managers Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

Introduction

1. We have audited the accompanying consolidated financial results of IL&FS Investment Managers Limited ('the Parent' or 'the Company') and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') and its joint ventures for the year ended 31 March 2023, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial results and financial information of the subsidiaries and joint ventures, except for the possible impacts of matters described in the 'Basis for Qualified Opinion' paragraph below, the aforesaid consolidated financial results:
 - 2.1. include the annual financial results of the following entities:

Sr. No.	Name of the Entity	Relationship
1	IL&FS Investment Managers Limited	Parent
2	IL&FS Asian Infrastructure Managers Limited	Subsidiary
3	IL&FS Urban Infrastructure Managers Limited	Subsidiary
4	IIML Asset Advisors Limited	Subsidiary
5	Andhra Pradesh Urban Infrastructure Asset Management Limited #	Subsidiary
6	IL&FS Infra Asset Management Limited	Subsidiary
7	IL&FS AMC Trustee Limited	Subsidiary
8	IL&FS Investment Advisors LLC ('IIAL')	Subsidiary
9	IIML Fund Managers (Singapore) Pte Ltd #	Subsidiary
10	Saffron Investment Trust	Subsidiary of IIAL
11	IL&FS Milestone Realty Advisors Pvt Ltd #	Joint venture
12	Standard Chartered IL&FS Management (Singapore) Pte Ltd #	Joint venture

Unaudited - management certified numbers

- 2.2. are presented in accordance with the requirements of the Listing Regulations in this regard; and
 - 2.3. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS'), and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31 March 2023.
3. **Basis for Qualified Opinion**
 - 3.1 Attention is drawn to Note 4 of the consolidated financial results which describes the situation faced by the Group in view of the ongoing investigation by Serious Fraud Investigation Office of Ministry of Corporate Affairs ('SFO') against Infrastructure Leasing & Financial Services Limited ('IL&FS' or 'the Ultimate Holding Company'), and its subsidiaries (including the Group). Further, the National Company Law Tribunal ('NCLT') has ordered re-opening of books of account of IL&FS and its two subsidiaries (other than the Group) for the past financial years as referred to in the note. In view of the aforesaid ongoing investigations of the entire IL&FS Group



(including the Group) by the SFIO and re-opening of accounts of the Ultimate Holding Company and two of its subsidiaries by the NCLT, we are unable to comment on the consequential impact(s) upon conclusion of the said investigation and re-opening of the books of account on these consolidated annual financial results.

- 3.2 The consolidated financial results include financial results of one of the material subsidiaries whose results, as certified by its management, reflect total assets of Rs. 4,532.20 lakhs as at 31 March 2023, total revenues of Rs. 1,244.36 lakhs and Rs. 4,469.12 lakhs, total net profit after tax of Rs. 203.08 lakhs and Rs. 814.34 lakhs and total comprehensive income of Rs. 208.92 lakhs and of Rs. 821.88 lakhs for the quarter ended 31 March 2023 and for the period from 1 April 2022 to 31 March 2023 respectively, and cash inflows (net) of Rs. 1.84 lakhs for the period from 1 April 2022 to 31 March 2023. The consolidated financial results also include the Group's share of net (loss)/profit after tax of Rs. (2.61) lakhs and Rs. 319.23 lakhs for the quarter ended 31 March 2023 and for the period from 1 April 2022 to 31 March 2023 respectively in respect of a joint venture. The financial results of these entities, as certified by their managements, are material to the Group. As the Board meetings of the said entities of the Group haven't been conducted to approve their financial results, the provision of Regulation 33(3)(h) of SEBI LODR, which require a listed entity to ensure that, for the purposes of consolidated financial results, at least eighty percent each of the consolidated revenue, assets and profits, should be subjected to audit or in case of unaudited results, subjected to limited review, is not met by the Parent for the year under report.
4. We conducted our audit in accordance with the Standard on Auditing ('SAs') specified under section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 obtained by us and other auditors in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty relating to Going Concern

5. Attention is drawn to Note 5 of the consolidated financial results regarding reduction in fee revenue of the Holding Company & few of its subsidiaries significantly coupled with the lack of any immediate new fund raise resulting in the reduced estimates of future fee revenue, there is material uncertainty of the Group's continuity as going concern. However, considering management's expectations of Group's ability to, at least, meet its obligations over the next 12 months out of its earnings and liquid assets, the management believes that use of the 'going concern' assumption for preparation of the consolidated financial results is appropriate. Our opinion is not modified in respect of this matter.

Emphasis of Matter

6. Attention is drawn to Note 8 of the consolidated financial results which describes that three entities of the Group being consolidated have ceased their operations and their respective standalone financial statements are not prepared on going concern basis but on realisable value basis. Our opinion is not modified in respect of this matter.

Board of Director's responsibilities for the Consolidated Financial Results

7. These consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the consolidated net profit after tax and other comprehensive income and other financial information of the Group including its joint ventures in accordance with the recognition and measurement principles laid down in Ind AS prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India



and in compliance with the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial result that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for overseeing the financial reporting process of the Group and of its joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial results 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.
11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - 11.1. Identify and assess the risks of material misstatement of the consolidated financial results, 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.
 - 11.2. 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) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
 - 11.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - 11.4. Conclude on the appropriateness of the Board of Directors 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 Group and its joint ventures 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 consolidated financial results 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 Group and its joint ventures to cease to continue as a going concern.



- 11.5. Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- 11.6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its joint ventures to express an opinion on the consolidated financial results. We are responsible for the direction, supervision, and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
12. We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial results of which we are independent auditors 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.
13. 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.
14. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

15. The consolidated financial results include the audited financial results of two subsidiaries, whose financial statements reflect total assets of Rs. 4,214.21 lakhs as at 31 March 2023, total revenue of Rs. 392.60 lakhs and Rs. 1,640.29 lakhs, total net profit after tax of Rs. 136.38 lakhs and Rs. 773.56 lakhs and total comprehensive income of Rs. 138.32 lakhs and Rs. 775.50 lakhs for the quarter ended 31 March 2023 and for the period from 1 April 2022 to 31 March 2023 respectively, and cash outflows (net) of Rs. 1,576.63 lakhs for the period from 1 April 2022 to 31 March 2023, as considered in the consolidated financial results which have been audited by their respective independent auditors. These financial results have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these entities and our report in terms of provisions of Section 143 of the Act, in so far as it relates to the aforesaid entities, is based solely on the report of such auditors and the procedures performed by us as are stated in paragraph above.
16. The consolidated financial results also include the financial results of two subsidiary companies, incorporated outside India, whose financial results reflect total assets of Rs. 8,679.97 lakhs as at 31 March 2023, total revenue of Rs. 64.98 lakhs and Rs. 163.76 lakhs, total net profit after tax/(loss) of Rs. 7.90 lakhs and Rs. (105.83) lakhs and total comprehensive income/(loss) of Rs. 7.90 lakhs and Rs. (105.83) lakhs for the quarter ended 31 March 2023 and for the period from 1 April 2022 to 31 March 2023 respectively, and cash inflows (net) of Rs. 2,281.49 lakhs for the period from 1 April 2022 to 31 March 2023, as considered in the consolidated financial results. These financial results have been audited by the other auditors as per the requirements of the applicable reporting framework of those countries / jurisdictions and have been converted as per the requirements of Ind AS by the management of the Parent. Our opinion, in so far as it relates to the amounts and disclosures included in respect of these entities and our report in terms of provisions of Section 143 of the Act, in so far as it relates to the aforesaid entities, is based solely on the reports of the other auditors and the conversion adjustments prepared by the management of the Parent.



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17. The consolidated financial results include the unaudited financial results of one subsidiary, incorporated outside India, whose Financial Results reflect total assets of Rs. 339.17 lakhs as at 31 March 2023, total revenue of Rs. Nil and Rs. Nil and total net profit after tax/(loss) of Rs. 0.18 lakhs and Rs. (5.08) lakhs and total comprehensive income/(loss) of Rs. 0.18 lakhs and Rs. (5.08) lakhs for the quarter ended 31 March 2023 and for the period from 1 April 2022 to 31 March 2023 respectively, and cash outflows (net) of Rs. 4.37 lakhs for the period from 1 April 2022 to 31 March 2023, as considered in the consolidated financial results. These unaudited financial results have been furnished to us by the Management of the Parent and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such unaudited financial results as certified by the management of the Parent. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial results are not material to the Group.
18. The consolidated financial results include the unaudited financial results of one subsidiary and a joint venture, as referred to in paragraph 3.2 above have been furnished to us by the Management of the Parent and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these entities is based solely on such unaudited financial results as certified by the management of the said entities. In our opinion and according to the information and explanations given to us, the financial results of these entities are material to the Group.
19. Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the Board of Directors, except for entities referred to in paragraph 18 above.
20. The consolidated financial results include the results for the quarter ended 31 March 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subjected to limited review by us.

For **KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621



Hasmukh B Dedhia

Partner

ICAI Membership No: 033494

UDIN: 23033494BGWSTA6016



Place: Mumbai

Date: 30 May 2023

IL&FS INVESTMENT MANAGERS LIMITED

Registered Office: The IL&FS Financial Centre, C-22, G Block, Bandra-Kurla Complex,

Bandra (East), Mumbai 400 051

CIN: L65999MH1986PLC147981. Website: www.iimlindia.com

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR
ENDED MARCH 31, 2023

(₹ in lakhs)

	Particulars	Quarter Ended 31.03.2023 (Refer Note 9)	Quarter Ended 31.12.2022 (Unaudited)	Quarter Ended 31.03.2022 (Refer Note 9)	Year Ended 31.03.2023 (Audited)	Year Ended 31.03.2022 (Audited)
	Revenue:					
	Revenue from Operations	1,750.89	1,411.38	1,173.00	6,444.57	4,165.42
	Other Income	339.24	218.20	878.27	1,106.77	1,576.98
1	Total Revenue	2,090.13	1,629.58	2,051.27	7,551.34	5,742.40
2	Expenses:					
	Employee benefits expense	369.28	371.15	466.33	1,532.10	1,687.82
	Depreciation and amortisation expense	4.88	4.30	5.17	19.11	21.08
	Rent expense	41.81	41.82	37.41	167.41	145.70
	Legal and Professional expense	895.20	514.45	433.94	2,778.67	1,602.93
	Expected Credit loss arising on Receivables	173.63	165.17	(93.59)	555.63	-
	Net Loss on sale of non-current Investments	-	-	-	-	243.50
	Other Expenses	212.82	156.08	175.75	655.98	510.20
	Total Expenses	1,697.62	1,252.97	1,025.01	5,708.90	4,211.23
3	Profit/(Loss) before exceptional item and tax (1-2)	392.51	376.61	1,026.26	1,842.44	1,531.17
4	Exceptional Item	-	-	-	-	-
5	Profit/(Loss) after exceptional item and before tax (3-4)	392.51	376.61	1,026.26	1,842.44	1,531.17
6	Tax expense/(benefit):					
	a) Current tax	92.73	150.70	123.45	568.30	289.79
	b) Deferred tax	(65.04)	(2.49)	(72.73)	(106.37)	(74.95)
	Total Net tax expense/(benefit)	27.69	148.21	50.72	461.93	214.84
7	Profit/(Loss) after Tax (5-6)	364.82	228.40	975.54	1,380.51	1,316.33
8	Share of profit of Joint Venture	(2.61)	324.19	(1.06)	319.23	(4.80)
9	Profit/(Loss) after tax and share in profit of Joint Venture (7+8)	362.21	552.59	974.48	1,699.74	1,311.53
	Profit attributable to:					
	Owners of the company	244.57	444.91	633.22	1,197.80	778.97
	Non-controlling interest	117.64	107.68	341.26	501.94	532.56



	Particulars	Quarter Ended 31.03.2023 (Refer Note 9)	Quarter Ended 31.12.2022 (Unaudited)	Quarter Ended 31.03.2022 (Refer Note 9)	Year Ended 31.03.2023 (Audited)	Year Ended 31.03.2022 (Audited)
10	Other comprehensive income					
	Items that will not be reclassified to profit or loss:					
	Actuarial Gain/(loss) of the defined benefit plans	50.62	(0.15)	(2.67)	70.32	18.15
	Income tax relating to items that will not be reclassified to profit or loss	(3.12)	(23.58)	(30.50)	(132.05)	(52.95)
	Items that will be reclassified to profit or loss:					
	Gain/(Loss) on Foreign currency translation reserve	(59.82)	133.60	194.07	693.37	298.76
	Total other comprehensive income	(12.32)	109.87	160.90	631.64	263.96
	Total other comprehensive income attributable to:					
	Owners of the company	(15.44)	110.05	159.72	627.69	264.80
	Non-controlling interest	3.12	(0.18)	1.18	3.95	(0.84)
11	Total Comprehensive Income (9+10)	349.89	662.46	1,135.38	2,331.38	1,575.49
	Owners of the company	229.14	554.96	792.94	1,825.49	1,043.77
	Non-controlling interest	120.75	107.50	342.44	505.89	531.72
12	Paid-up Equity Share Capital (Face Value of ₹ 2/- each)	6,280.85	6,280.85	6,280.85	6,280.85	6,280.85
	Other Equity				15,360.91	14,791.63
13	Earning per equity share (not annualised)					
	- Basic	0.08	0.14	0.20	0.38	0.25
	- Diluted	0.08	0.14	0.20	0.38	0.25



Statement of Assets and Liabilities

(₹ in lakhs)

Particulars		As at March 31, 2023	As at March 31, 2022
ASSETS			
I	Financial Assets		
(a)	Cash and cash equivalents	2,352.28	6,933.34
(b)	Bank balance other than (a) above	13,007.91	12,331.56
(c)	Trade Receivables	1,713.48	900.36
(d)	Loans	29.53	26.73
(e)	Investments	7,124.79	3,188.13
(f)	Other Financial assets	915.82	1,150.40
Total Financial Assets		25,143.81	24,530.52
II	Non-financial Assets		
(a)	Income Tax Asset (net)	851.62	325.16
(b)	Property, Plant and Equipment	39.39	27.72
(c)	Other Intangible Assets	0.08	0.25
(d)	Other non-financial Assets	664.76	601.55
Total Non-financial Assets		1,555.85	954.68
TOTAL ASSETS		26,699.66	25,485.20

(₹ in lakhs)

Particulars		As at March 31, 2023	As at March 31, 2022
LIABILITIES AND EQUITY			
LIABILITIES			
I	Financial Liabilities		
	Trade payables		
	(i) total outstanding dues of micro enterprises and small enterprises	19.82	24.57
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	940.92	697.67
Total Financial Liabilities		960.74	722.24
II	Non-financial Liabilities		
(a)	Deferred Tax Liabilities (Net)	978.02	952.35
(b)	Employee benefit obligations	266.44	295.90
(c)	Other Non-financial Liabilities	806.87	549.05
Total Non-financial Liabilities		2,051.33	1,797.30
III	Equity		
(a)	Equity Share Capital	6,280.85	6,280.85
(b)	Other Equity	15,360.91	14,791.63
Equity attributable to owners		21,641.76	21,072.48
Non-controlling interests		2,045.83	1,893.18
TOTAL EQUITY AND LIABILITIES		26,699.66	25,485.20



CASH FLOW STATEMENT FOR THE YEAR ENDED

(₹ in lakhs)

	Particulars	Figures for the year ended March 31, 2023	Figures for the year ended March 31, 2022
I.	Cash Flow from Operating Activities		
	Profit before Tax	2,161.67	1,526.36
	Adjustments For:		
	Depreciation and amortisation expense	19.12	21.08
	Provision for Employee benefit obligation (net of reversal)	(29.47)	(45.12)
	Provision for Expected Credit Loss for financial assets	555.63	(662.11)
	(Gain)/Loss on fair valuation of mutual funds	(188.88)	(223.49)
	(Gain)/Loss on fair valuation of venture capital funds	(301.24)	3.33
	(Profit)/Loss on sale of non current investments	-	243.50
	(Profit)/Loss on sale of current investments	(66.86)	(135.02)
	(Profit)/Loss on sale of Property, Plant and Equipment's (Net)	(7.33)	(0.45)
	Interest Income	(508.80)	(451.17)
	Operating Profit/(Loss) Before Working Capital Changes	1,633.84	276.91
	Changes in working capital:		
	Adjustments for (increase)/decrease in operating assets:		
	Trade Receivables	(1,340.48)	945.75
	Other Financial Assets	205.05	(289.80)
	Other Non-Financial Asset	7.11	(50.76)
	Adjustments for increase/(decrease) in operating liabilities:		
	Trade Payables	238.49	(36.33)
	Other Non-financial liability	303.01	26.23
		1,047.02	872.00
	Less: Taxes (paid)/refund received (net)	(1,094.75)	(228.63)
	Net Cash generated from/(used in) Operating Activities	(47.73)	643.37
II.	Cash Flow from Investing Activities		
	(Purchase)/Sale of mutual funds (Net)	(3,298.70)	1,246.94
	(Increase)/Decrease in equity instrument	(80.97)	(210.33)
	(Investment) in Redemption from Fixed Deposits (Net)	(721.55)	(3,014.58)
	Proceeds from Sale of equity instrument	-	19.33
	Proceeds from Sale of Property, Plant and Equipment	6.59	0.46
	Purchase of Property, Plant and Equipment	(29.89)	(6.64)
	Interest Income	507.28	449.24
	Net Cash generated from/(used in) Investing Activities	(3,617.24)	(1,515.58)
III.	Cash Flow from Financing Activities		
	Dividend Paid	(1,609.46)	(942.10)
	Net Cash used in Financing Activities	(1,609.46)	(942.10)
IV.	Net Increase/(Decrease) in Cash and Cash Equivalent (I+II+III)	(5,274.43)	(1,814.31)
	Effect of exchange differences on Foreign Currency Translation	693.37	298.76
		(4,581.06)	(1,515.55)
	Cash and Cash Equivalent at the beginning of the year	6,933.34	8,448.89
	Cash and Cash Equivalent at the end of the year	2,352.28	6,933.34
	Net Increase/(Decrease) in Cash and Cash Equivalent	(4,581.06)	(1,515.55)



NOTES :

- (1) The aforesaid consolidated financial results of IL&FS Investment Managers Limited (the "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together constitute the "Group") and jointly controlled entities for the quarter and year ended March 31, 2023 along-with comparative quarter and year have been reviewed by the Audit Committee at its meeting held on May 29, 2023 and subsequently approved by the Board of Directors of the Company at its meeting held on May 30, 2023 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (2) The financial results have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of the Companies Act, 2013 (CA 2013) and other relevant provisions of the CA 2013 as amended from time to time
- (3) As per requirements of Indian Accounting Standard (Ind AS) 108 on 'Operating Segments', based on evaluation of financial information for allocation of resources and assessing performance, the Group has identified a single segment i.e. providing asset management services and other related services. As such, there are no separate reportable business or geographical segments as per Ind AS 108
- (4) The Ministry of Corporate Affairs (MCA), Government of India, has vide its letter dated October 1, 2018 initiated investigation by Serious Fraud Investigation Office (SFIO) against Infrastructure Leasing & Financial Services Limited (IL&FS), the Holding Company and its subsidiaries (including the Group) 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 Group) as Respondents to the Petition filed by them on October 1, 2018. Further based on another petition of the MCA under Section 130 (1) of the Companies Act, 2013, the NCLT has, on January 1, 2019, ordered re-opening of books of accounts for the past financial year 2012-13 to financial year 2017-18 of 'IL&FS' ('the Ultimate Holding Company'), IL&FS Financial Services Limited ('IFIN' a fellow subsidiary) and IL&FS Transportation Networks Limited ('ITNL' a fellow subsidiary). While the Group, based on its current understanding, believes that the above would not have a material impact on the financial results, the implications, if any, arising from the aforesaid developments would be known only after the aforesaid matters are concluded and hence are not determinable at this stage.
- (5) The term of most of the existing funds being managed/advised by the Holding Company and few of its subsidiaries has already been over. Other funds being managed/advised by the Holding Company and few of its subsidiaries Group are approaching end of their term in near future which has resulted in significant reduction in such entities fee revenue. Management expects that its future income from existing funds being managed/advised together with liquid assets held by the Group as at March 31, 2023 will be adequately sufficient to meet the Group's existing and future obligations arising over the next 12 months. Management believes that use of the going concern assumption for preparation of these financial results is appropriate
- (6) The Board of Directors of the Company at its meeting held on February 14, 2022 approved a Scheme of Amalgamation of its two wholly owned subsidiaries IL&FS Asian Infrastructure Managers Limited and IIML Asset Advisors Limited with the Company, subject to approval of shareholders and/or creditors of the respective companies and necessary regulatory approvals. The Appointed Date for the said Scheme of Amalgamation is scheduled to be April 1, 2022



- (7) The summarised audited standalone financial results of the Company are as below. The detailed standalone financial results of the Company are available on the Company's website www.iimindia.com

(₹ in lakhs)

	Particulars	Quarter Ended 31.03.2023 (Refer Note 8)	Quarter Ended 31.12.2022 (Unaudited)	Quarter Ended 31.03.2022 (Refer Note 8)	Year Ended 31.03.2023 (Audited)	Year Ended 31.03.2022 (Audited)
1	Total Revenue	545.80	2,398.71	1,666.29	3,521.20	2,434.48
2	Profit before tax	114.73	2,137.07	1,422.13	2,362.19	1,203.98
3	Profit after tax	153.72	2,129.80	1,422.14	2,400.97	1,249.67

- (8) The financial statements of its subsidiary IIML Fund Managers (Singapore) Pte Ltd and its Joint Ventures IL&FS Milestone Realty Advisors Private Limited and Standard Chartered IL&FS Management (Singapore) Pte Ltd have been prepared on the basis that it does not continue as a going concern
- (9) The figures for the three months ended March 31, 2023 & March 31, 2022 are the balancing figures between the audited figures with respect to full financial year and the published unaudited year to date figures upto the third quarter of the financial year which were subject to limited review
- (10) The Board of Directors, in their meeting held on May 30, 2023 have proposed a final dividend of ₹ 0.80 per equity share amounting to ₹ 2,512.26 lakhs. The proposal is subject to the approval of shareholders at the Annual General Meeting
- (11) Previous year numbers are regrouped/reclassified wherever necessary



Mumbai, May 30, 2023

By Order of the Board

Susim Mukul Datta
Chairman



**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Consolidated Annual Audited Financial Results**

<u>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023</u> [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (₹ in lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (₹ in lakhs)
	1.	Turnover/Total income	7,551.34	Not ascertainable
	2.	Total Expenditure	5,708.90	
	3.	Net Profit/(Loss)	1,699.74	
	4.	Earnings Per Share	0.38	
	5.	Total Assets	26,699.66	
	6.	Total Liabilities	5,057.90	
	7.	Net Worth	21,641.76	
	8.	Any other financial item(s) (as felt appropriate by the management)	-	
II.	<u>Audit Qualifications :</u>			
(a)	a.	<u>Details of Audit Qualifications</u> : Refer below details of qualification as per Audit Report dated May 30, 2023 Attention is drawn to Note 4 of the Statement which describes the situation faced by the Group in view of the ongoing investigation by Serious Fraud Investigation Office of Ministry of Corporate Affairs (SFIO) against Infrastructure Leasing & Financial Services Limited ('IL&FS' or 'the Ultimate Holding Company'), and its subsidiaries (including the Company and its subsidiaries). Further, the National Company Law Tribunal (NCLT) has ordered re-opening of books of account of IL&FS and its two subsidiaries (other than this company and its subsidiaries) for the past financial years as referred to in the note. In view of the aforesaid ongoing investigations of the entire IL&FS Group (including the Company and its subsidiaries) by the SFIO and reopening of accounts of the Ultimate Holding Company and two of its subsidiaries by the NCLT, we are unable to comment on the consequential impact(s) upon conclusion of the said investigation and re-opening of the books of account on these consolidated annual financial results		
	b.	<u>Type of Audit Qualification</u> : Qualified Opinion		
	c.	<u>Frequency of qualification</u> : Appearing for the fifth time		
	d.	<u>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views</u> : Not applicable		



e.	For Audit Qualification(s) where the impact is not quantified by the auditor :
(i)	<u>Management's estimation on the impact of audit qualification</u> : Unable to estimate impact
(ii)	<u>If management is unable to estimate the impact, reasons for the same</u> : In the absence of any specific findings as on date, the financial impact if any can only be ascertained once the SFIO investigation is completed and the exercise of the restatement of financial statements is completed
(iii)	<u>Auditors' Comments on (i) or (ii) above</u> : No Comments
II. (b)	<u>Audit Qualifications</u> :
a.	<p><u>Details of Audit Qualifications</u> : Refer below details of qualification as per Audit Report dated May 30, 2023</p> <p>The consolidated financial results include financial results of one of the material subsidiaries whose results, as certified by its management, reflect total assets of Rs 4,532.20 lakhs as at March 31, 2023, total revenues of Rs 1,244.36 lakhs and Rs 4,469.12 lakhs, total net profit after tax of Rs 203.08 lakhs and Rs 814.34 lakhs and total comprehensive income of Rs 208.92 lakhs and of Rs 821.88 lakhs for the quarter ended March 31, 2023 and for the period from April 1, 2022 to March 31, 2023 respectively, and cash inflows (net) of Rs 1.84 lakhs for the period from April 1, 2022 to March 31, 2023. The consolidated financial results also include the Group's share of net (loss)/profit after tax of Rs (2.61) lakhs and Rs 319.23 lakhs for the quarter ended March 31, 2023 and for the period from April 1, 2022 to March 31, 2023 respectively in respect of a joint venture. The financial results of these entities, as certified by their managements, are material to the Group. As the Board meetings of the said entities of the Group haven't been conducted to approve their financial results, the provision of Regulation 33(3)(h) of SEBI LODR, which require a listed entity to ensure that, for the purposes of consolidated financial results, at least eighty percent each of the consolidated revenue, assets and profits, should be subjected to audit or in case of unaudited results, subjected to limited review, is not met by the Parent for the year under report</p>
b.	<u>Type of Audit Qualification</u> : Qualified Opinion
c.	<u>Frequency of qualification</u> : Appearing for the first time
d.	<u>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views</u> : Not applicable



e.	For Audit Qualification(s) where the impact is not quantified by the auditor :	
(i)	<u>Management's estimation on the impact of audit qualification</u> :	Unable to estimate impact
(ii)	<u>If management is unable to estimate the impact, reasons for the same</u> :	In the absence of any specific findings as on date, the financial impact if any can only be ascertained once the Audited Financial Statements of these entities are available
(iii)	<u>Auditors' Comments on (i) or (ii) above</u> :	No further comments
III. <u>Signatories</u> :		
 Manoj Borkar Chief Executive Officer & Chief Financial Officer		
 Susim Mukul Datta Audit Committee Chairman		
Statutory Auditor : For KKC & Associates LLP Chartered Accountants (formerly Khimji Kunverji & Co LLP) Firm Registration Number: 105146W/W100621  Hasmukh B Dedhia Partner ICAI Membership No: 033494 		
Place :	Mumbai	
Date :	May 30, 2023	