



Private Equity

IL&FS Investment Managers Limited



ANNUAL REPORT 2015

CONTENTS



Corporate Information 01

Chairman's Reflections 02

From the Office of the Managing Director 04

Notes from the Chief Executive 06

Financial Highlights 08

Value Creation 09

Financial Statements 12

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr S M Datta
Chairman

Mr Ravi Parthasarathy

Mr Bansi S Mehta

Mr Jitender Balakrishnan

Mr Arun Saha

Mr Vibhav Kapoor

Mr Shahzaad Dalal

Mr Ramesh Bawa
Managing Director

Dr Archana Hingorani
Chief Executive Officer &
Executive Director

Mr Milind Patel

COMPANY SECRETARY

Mr Sanjay Mitra

BANKERS

HDFC Bank Limited

STATUTORY AUDITORS

M/s Deloitte Haskins & Sells LLP
Chartered Accountants

INTERNAL AUDITORS

M/s Patel & Deodhar
Chartered Accountants

SECRETARIAL AUDITORS

M/s Mehta & Mehta
Company Secretaries

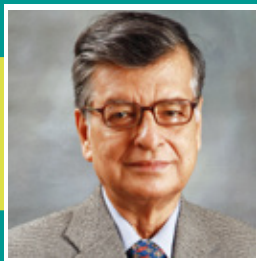
REGISTRARS & SHARE TRANSFER AGENTS

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup (West), Mumbai 400 078, India
Tel : +91 22 2594 6970 Fax : +91 22 2594 696

REGISTERED OFFICE

The IL&FS Financial Centre, Plot No C-22, G Block
Bandra Kurla Complex, Bandra (East), Mumbai 400 051, India
Tel : +91 22 2659 3531 Fax : +91 22 2653 3056

CHAIRMAN'S REFLECTIONS



Mr. S M Datta
Chairman

Dear Shareholders,

When one examines the global and the Indian economic outlook, opinions are diverse, the growth expectations inconsistent across geographies, and the data often contradictory. For instance, the Indian GDP growth numbers look healthy, especially after the revision in the base year and the change in methodology of its computation. However, growth in industrial production has been erratic, the credit offtake has been subdued, and the growth in trade has been below expectation. Nonetheless, both China and India continue to evoke interest of both strategic and financial investors, given their underlying growth potential

Therefore if one assesses key 'objective' parameters, the country is in an advantageous position. Softening of inflation, driven by falling global commodity prices, especially that of crude oil, has been a huge relief. So has been the relatively higher degree of control on the twin deficits – the current account and the fiscal. The positive impact of these developments cannot be overstated. With the inflation under control, the Reserve Bank of India has already announced three rate cuts, aggregating 75 basis points since January 2015. And more are expected during the course of this fiscal. This reversal in the interest rate cycle is bound to spur investment. Capital formation is also expected to gain pace on the back of the initiatives to strengthen the manufacturing base through 'Make in India', through focus on increasing ease of business, by taking steps to reduce hurdles facing the infrastructure sector, etc. The swift action taken on the issue of coal block cancellation by conducting auctions in a transparent manner is a case in point. Not surprisingly, the rating outlook of India has improved, with the rating agencies upgrading the country outlook to 'positive'

These developments augur well for your Company. The improvement in the macro-economic environment will have a cascading impact on Corporate India's capital requirements. As before, Private Equity, being the port of first call for many emerging businesses, will benefit. And with the possible tag of the fastest growing economy in the World, it would be difficult for Private Equity Fund investors to ignore India. Detractors could argue that many challenges still confront the Indian economy and that the revival in growth would take longer than expected. At a global level, the economy is still fragile, and subject to multiple factors/ downsides - there is a possibility of renewed economic turmoil in Europe,

a Fed tightening cycle could unfold sooner and more aggressively than expected, and new geo-political fault lines may emerge, which can derail the global growth trajectory, which in turn could impact India


Some of this may indeed turn out to be true. My view on this – if there is uncertainty, we need strategies to thrive in it. And if, as I believe, we are directionally on the right growth path, then we need new products to capitalize on the opportunities which would emerge therefrom. Towards this goal, we have expanded the IIML businesses to include debt funds as well as integrated investment banking led private equity transactions focused on opportunities arising from stressed assets. This expansion allows your Company to enter new areas of business created by external circumstances such interest rates, the longer economic down cycle etc. This expanded canvass will be spearheaded by Mr. R C Bawa, who has taken charge as the Managing Director. He has had a long and illustrious career as part of the IL&FS's financial services group. I am sure that under his guidance, your Company would be well placed to implement the desired strategies. As a result, FY2016 will see a spate of fund raising activities in all verticals including infrastructure, real estate as well as debt funds

A few of these strategies, as I am sure Mr. Bawa and Dr. Hingorani would talk about in this Report, are already in the works. When implemented, these new forays will enable us to strengthen our leadership role in the Private Equity industry

With Regards,

Mr. S M Datta
Chairman

June 19, 2015



“...if there is uncertainty, we need strategies to thrive in it. And if, as I believe, we are directionally on the right growth path, then we need new products to capitalize on the opportunities which would emerge therefrom”



R C Bawa
Managing Director

FROM THE OFFICE OF THE MANAGING DIRECTOR

“...substantial amount of work has been done by the team to get us to this juncture, and that more importantly, there are a lot of avenues which the team has the potential to explore”

Dear Shareholders,

It gives me great pleasure to be writing to you for the first time. Your Company is truly unique in the Private Equity Fund Management space. It has been at the forefront of the Private Equity in India over the last two decades, and it is indeed exciting to be part of this venture

Over the last couple of months, I have interacted with a cross section of your Company's stakeholders. An important constituent are the offshore fund investors and onshore banks and institutions. The India story seems to be back at the center of investor's mind space and there is a palpable sense of anticipation and willingness amongst these investors to be part of the interesting times which lie ahead. India is at a sweet spot of strong leadership, improving governance, strengthening fiscal indicators, and an environment of softer interest rates which drives up business confidence and would be key to re-igniting the capital expenditure and consumption cycle

As a natural outcome, we are witnessing an improved Private Equity environment. Private Equity Funds allocated to the Emerging Asia region grew by 8% in CY2014, in contrast to the overall global numbers which fell 9%. In India, funds raised in CY2014 were 1.7 times that raised in CY2013. On the investment front, deals increased by 28% to \$15.2 billion - inching closer to 2007 peak levels of \$17.1 billion. Against this backdrop, we expect that our constant focus on engaging fund investors with new fund products and investment formats will bear fruit

The other important constituent of our stakeholders are your Company's employees. I believe that substantial amount of work has been done by the team to get us to this juncture, and that more importantly, there are a lot of avenues which the team has the potential to explore. For instance, infrastructure is eminently amenable to a stable yield play. Infrastructure debt funds are key to extracting yields and have a significant potential to re-finance debt of operating infrastructure projects. IL&FS has been a pioneer in



establishing such funds – it raised India's first infrastructure debt fund in February 2013. Since then, it has, in partnership with Life Insurance Corporation of India, already raised two such debt fund schemes, with aggregate commitments of US\$ 220 million. These closed ended schemes, with maturities of 5 to 12 years, have received highest rating of "AAA idf-mf" from India Ratings. Contributors to these schemes are marquee Indian banks and institutions

I believe that there is immense potential for such debt funds, and that we have in-house capability to mine this opportunity. Hence, with view to exploit synergies and build shareholder value, we have decided to integrate the infrastructure debt fund practice with IIML's private equity business. This coupled with new initiatives like focusing on the investment banking led private equity transactions would lead to significant value creation over the medium term

Lastly, the most important stakeholder is you, our shareholders, and I would like to thank all of you for being part

of IIML's journey. Tremendous shareholder value has been created over the last decade. The last couple of years have however been challenging; your firm faith in the Company, despite the headwinds which we have faced, is a source of motivation for us to reach new heights. I believe we are now standing at a point from where we enter into our next round of growth, which would be, as before, if not more, a rewarding experience for all of your Company's stakeholders

With Regards,

R C Bawa
Managing Director

June 21, 2015





Dr. Archana Hingorani
Chief Executive Officer & Executive Director

NOTES FROM THE CHIEF EXECUTIVE

“...the last couple of years have also been fruitful in terms of our ability to showcase successful divestments. This facet is as important for your Company as is raising new funds, as both aspects feed off each other.”

FY2013

₹5.4bn

FY2014

₹9.7bn

FY2015

₹11.7bn

Increasing Yearly Realisation from Liquidity Events

Dear Shareholders,

Over the last couple of years, the investment community has had a guarded, more circumspect view on global and local issues that impinge on the private equity environment. In my previous communication in last year's Annual Report, I had talked about a challenging environment, and the need to protect and preserve value. This year, I write to you with the greater sense of conviction on the path that lies before us. This assurance comes from the positive newsflow on the economic front, backed by what we are hearing from offshore private equity fund contributors. And while the gap between conviction and certainty will have setbacks and delays, I believe time has now come to graduate from preserving value to enhancing it

An early, small albeit significant indicator for the change in perception has been the First Close of our fourth generation Private Equity Fund. The Fund had been on the road for fund raising for a considerable time; the winds on change blowing from New Delhi played an important part in getting us to a stage where we now have deployable funds and are active in the market, looking at fresh opportunities

Bolstered by this success, we have now put together a fund product for the infrastructure space and are working full steam on two alternate real estate and infrastructure focused funds on the listed platform. Cognizant of the bias of offshore investors towards higher cashflow predictability, the investment thesis for these new products would encompass stable, operating assets in addition to our traditional focus on growth investments. The fund structures would accordingly be formulated to ensure efficient yield extraction. We will mine our existing relationships as also work with strategic placement agents / gatekeepers in various target geographies to reduce the fund raise timelines

In addition to our existing fund verticals, we have also initiated work on broadening our fund offerings. We have a clear and present advantage in the infrastructure space on the back of our parentage as also on account of our investment experience across three dedicated prior vintage infrastructure funds, one of which has been fully divested, and the other which we expect to fully divest from during the current fiscal. Leveraging on this, we are now integrating the infrastructure debt fund business into IIML's operations. Upon this enhancement, we will have the capability to service the entire spectrum of private infrastructure, an area which is both huge and which holds promise for significant growth. It is in this context that we are privileged to have Mr. Bawa to guide us through this new stage of your Company's growth. Needless to add, integration of the debt fund business within IIML will aid in driving your Company's financials

In parallel, we are also putting together a portfolio of assets, investment into which calls for significantly higher level of capital commitment. We will leverage our investor base to put together a consortium which invest into these pre-identified assets. These investment banking led private equity transactions will aid in smoothening our revenue curve, which till now has been contingent upon fund closings. Fund closings are dependent on multiple factors and typically do not occur within a financial year. This limitation gets addressed by focusing on strategies which have a shorter time to market

Looking back, while times had been challenging, the last couple of years have also been fruitful in terms of our ability to showcase successful divestments. This facet is as important for your Company as is raising new funds, as both aspects feed off each other. This year we generated reverse cashflows of ₹11.7 billion. Comparable figures from the previous two years have been ₹9.7 billion and ₹5.4 billion respectively. Credit for this remarkable performance goes entirely to the team of fund managers, who relentlessly pursued every strategy in the book to ensure timely and value accretive exits. Some divestments completed during the fiscal are presented in the next section of the Annual Report. These are but a sampler to the effort which has gone into the 24 divestments which we undertook during FY2015

The coming year is full of expectations; we hope it offers us opportunities to enhance the value of our portfolio, to establish successful connects with our investors, and to rollout our new initiatives; all means to the end for what we strive to achieve viz. a consistent growth in stakeholder's value

With Regards,

Dr. Archana Hingorani
Chief Executive Officer & Executive Director

June 23, 2015

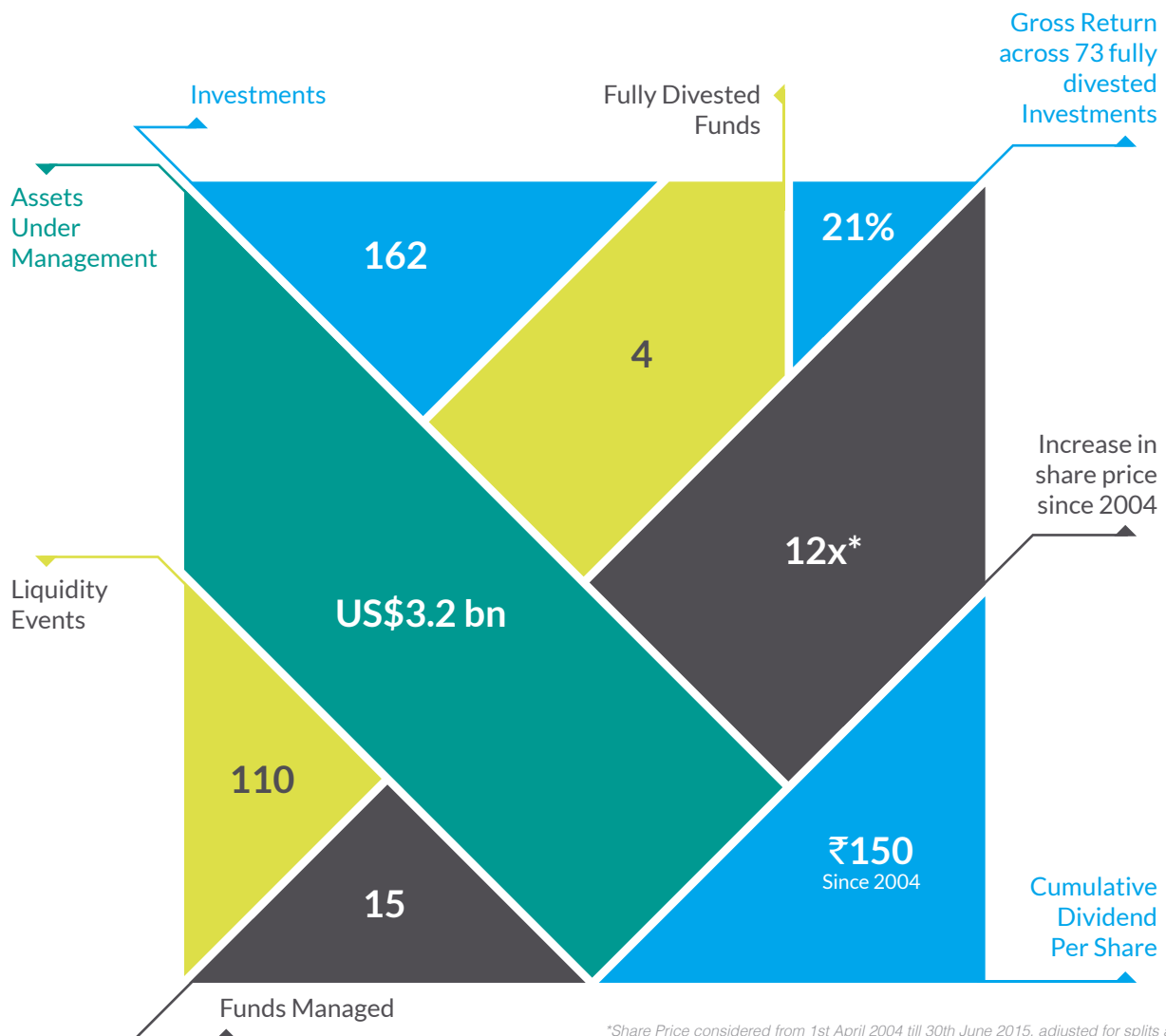
FINANCIAL HIGHLIGHTS

Delivering Performance

(₹mn)

Particulars	FY2011	FY2012	FY2013	FY2014	FY2015
Total Income	2,012	2,247	2,269	2,229	2,087
Total Expenses	1,107	1,294	1,258	1,222	1,122
PBT	905	953	1,011	1,007	965
PAT	690	735	766	725	730
PAT(%)	34	33	34	33	35
EPS *(₹)	2.3	2.4	2.5	2.3	2.3

* Face Value of ₹2 per share. Adjusted for 1:2 Bonus Issuances in FY2013



*Share Price considered from 1st April 2004 till 30th June 2015, adjusted for splits and bonuses



Value Creation

The path for raising fresh Funds only gets cleared when investments from prior Funds are divested in a timely and profitable manner. Key to driving this is creating multiple exit options and working alongside management teams of investee companies to create value. An overview of a few divestments, out of the 24 divestments undertaken during FY2015, illustrate our approach to building value for our stakeholders

Maharashtra Natural Gas Limited

Maharashtra Natural Gas Limited (MNGL) was incorporated by two large public sector undertakings – GAIL India Limited, India's largest gas transmission company and Bharat Petroleum Corporation Limited (BPCL), a Fortune 500 Company operating in the oil refining and petroleum product distribution space, to establish a City Gas Distribution (CGD) network in the city of Pune. A CGD network entails establishment of a gas distribution network in cities for supply of Compressed Natural Gas (CNG) as fuel for vehicles and Piped Natural Gas (PNG) as fuel for domestic, commercial and industrial usage

IL&FS Investment Managers Limited (IIML) had, through one of its earlier funds, participated in the formation of the similar city gas distribution company - Indraprastha Gas Limited (IGL). IGL, was one of the first CGD companies in India operating in the city of Delhi. IIML's investment in IGL generated a return of 65% p.a. and a cash multiple of 6.9x for its Fund. The divestment from this investment was completed in 2005

The key role played by IIML in giving direction to the success of IGL resulted in it being invited to participate in the equity of Central UP Gas Limited (CUGL) in 2006 and then in the equity of Maharashtra Natural Gas Limited in 2009. Investment in the CUGL generated a 2.6x cash multiple for IIML, with the divestment completed in 2013

IIML's investment into MNGL was at its inception stage. Today, on the back of IIML's guidance and the support of the Sponsors, MNGL operates a 370 kilometre network of gas pipelines servicing over 75,000 vehicles, catering to over 130 commercial and industrial customers and ~14,500 households

IIML recently successfully divested by MNGL, generating a return of 27% p.a. and a cash multiple of 4.1x for its Fund investors



Wadhwa Group - 'The Address'



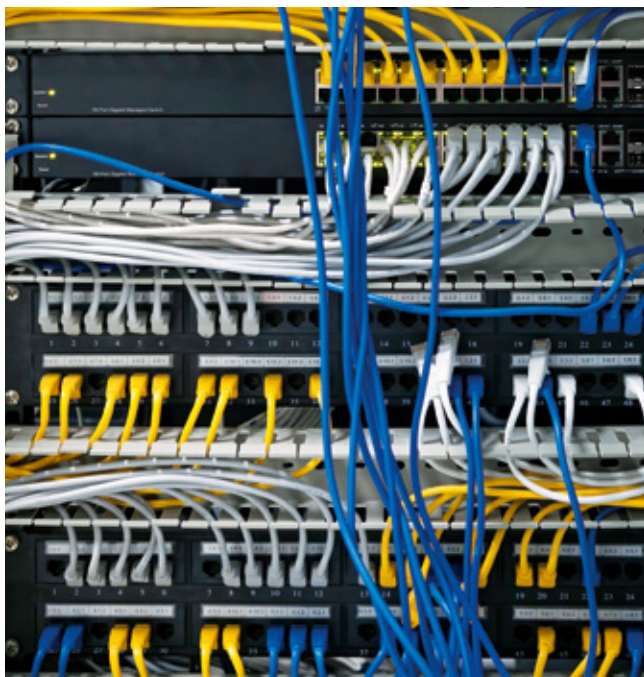
'The Address', is one of the premium residential projects in the Eastern suburbs of Mumbai, developed by the Wadhwa Group. The project entailed development of 18 acres, comprising of 1,400 apartments in 12 high-rise towers

In November 2011, IIML invested INR 3,000 mn in the Project at its inception stage. The funds were deployed to finance construction and various project outlays

IIML played a key role in giving direction to the development by way of inputs on product mix, financing matters, and issues relating to project management and marketing. The Project has become one of the most sought after destination for home buyers in Central Suburbs of Mumbai

In May 2015, IIML successfully divested from *The Address*, generating overall return of 21% p.a., and a cash multiple of 1.6x for its Fund investors

SFO Technologies Limited



Incorporated in 1991, SFO Technologies Limited was promoted by technocrats as an end to end electronic solutions provider offering concept-to-design engineering, contract manufacturing, testing, software solutions and product services to leading Original Equipment Manufacturers worldwide. Over time, SFO moved up the value chain, leveraging its design and software capabilities

SFO has manufacturing, design and software solutions facilities in Kerala and product assembling facilities including plastic moulding, sheet metal fabrication and testing and assembly units at Bangalore

IIML invested into SFO in 2011 and played a key role in providing strategic inputs. On the back of IIML's guidance, the Company focussed its management teams on specific verticals, which helped the Company expand its client base and cross sell products. Further, IIML was able to engineer sale of the Company's software division to a strategic investor

As an outcome of the strategic sale, IIML successfully divested its stake in SFO, generating a return of 14.5% p.a. and a cash multiple of 1.6x for its Fund investors

Financial Statements



CONTENTS

Directors' Report	14
Annexures to the Directors' Report	23
Management Discussion and Analysis	41
Corporate Governance Report	44

STANDALONE FINANCIALS

Auditors' Report	58
Balance Sheet	62
Statement of Profit and Loss	63
Cash Flow Statement	64
Notes Forming Part of Financial Statements	66
FORM AOC - 1	94
[Pursuant to first proviso to Sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]	

CONSOLIDATED FINANCIALS

Auditors' Report	97
Balance Sheet	102
Statement of Profit and Loss	103
Cash Flow Statement	104
Notes Forming Part of Financial Statements	106

NOTICE	137
--------	-----

PROXY FORM	147
------------	-----

Directors' Report

TO THE MEMBERS OF

IL&FS INVESTMENT MANAGERS LIMITED

Your Directors have pleasure in presenting for your consideration and approval the Twenty Ninth Annual Report with the Audited Financials of the Company for the year ended March 31, 2015

FINANCIAL ACHIEVEMENTS AND DIVIDEND

	For the year ended March 31, 2015 (₹ mn)	For the year ended March 31, 2014 (₹ mn)	For the year ended March 31, 2015 (₹ mn)	For the year ended March 31, 2014 (₹ mn)
	Standalone	Standalone	Consolidated	Consolidated
Total Income	1154.63	1211.15	2086.80	2228.82
Profit before Taxation	761.68	763.56	965.07	1007.44
Provision for Taxation	202.76	225.94	234.14	278.81
Net Profit after Taxation	558.92	537.62	730.26 *	724.87 *
Profit available for appropriation (inclusive of balance carried forward from the previous year)	718.69	669.90	2681.15	2490.02
Appropriations :				
General Reserve	57.00	55.00	57.00	66.45
Dividend (inclusive of dividend tax)	448.90	454.84	464.23	474.37

* after Minority Interest

The Company proposes to transfer an amount of ₹ 57,000,000/- to the General Reserve

DIVIDEND

During the year, your Company achieved a Net Profit after tax of ₹ 558.92 mn. Your Directors recommend a Dividend of ₹ 1.30 per share of the Face Value of ₹ 2/- each. The total amount of Dividend is ₹ 448.90 mn (inclusive of dividend tax of ₹ 40.66 mn)

REVIEW OF OPERATIONS

During the year, the pace of economic growth has been divergent. The advanced economies, especially the US, posted relatively stronger levels of growth. The emerging economies, on the other hand faced multiple challenges. Going forward, while the global growth expectation of 3.5% for CY2015, as estimated by the International Monetary Fund, is fairly robust, this expectation is contingent on multiple factors and may face downside risks - renewed economic turmoil in Europe, a Fed tightening cycle that unfolds sooner and more aggressively than expected, and the emergence of new geo-political fault lines

In India, business confidence is on the upswing as a result of a combination of factors - a stable Government at the Centre; falling global commodity prices, which has contributed to a significant inflation moderation; and positive policy announcements which are expected to re-ignite investment interest. The reversal of the interest rate cycle, the measures to boost liquidity, the Government's focus on deficit control -these measures would contribute significantly to a stronger growth during FY2016

As with the global economy, the Private Equity (PE) industry has also been witness to a combination of challenges and positive outcomes. On one hand, global PE funds raised have dropped 9% during CY2014, compared to last year. In contrast, fund raising in Emerging Asia grew 8% year on year. In India as well, funds raised in CY2014 were 1.7 times that raised in CY2013

Directors' Report

Encouragingly, the positive outcomes for India PE are beginning to play out. PE investments have picked up during the last year. Direct deals being done by large institutional and sovereign wealth funds in the e-commerce space have been a contributor to this growth. Venture investing, focus on the technology space, has also picked pace

With regard to new Fund raisings, institutional investors are now more amenable to invest into India. However, this next round of fund raisings would be more selective, the diligence process more extensive. Institutional investors are also looking at a greater say in decision making. They are also willing to be more flexible – being open to Fund managers taking controlling stakes in underlying assets, especially in the infrastructure and real estate space. These sectors had till recently been shunned by investors; there is however now a palpable increase in interest levels. Interest is also getting rekindled in sectors which have lower regulatory issues – healthcare, logistics, consumer services, financial intermediation, to name a few

In such an environment, the key focus would be to re-engage investors with new fund/ investing formats, which tie into their investment objectives and transformed thought process. In this regard, the Company has continued to exert significant efforts and commit substantial resources towards investor outreach. A positive outcome has been the First Close of the Company's 4th generation general purpose Private Equity Fund. The Fund has raised a modest US\$ 40 mn, and the Company expects to ramp this up to US\$ 100 mn during the coming financial year. More importantly, the Company has initiated work on a classic infrastructure Fund and two alternate real estate and infrastructure focused funds on the listed platform

A critical ingredient for success in new fund raise is the Company's divestment track record. In this regard, the Company has built upon its last year's success. The Company undertook 24 divestments, and coupled with yield/dividend income generated, provided reverse cash flows of ₹ 11.7 billion during FY2015, compared to the ₹ 9.7 billion cash flows generated during FY2014

With a steady divestment pattern, the fee earning Assets under Management (AUM) of the Company has been declining. Lower profitability from this count has been offset by a focus on generating other fee based income, as also by way of cost rationalisation. On a consolidated basis, the Total Income for the Financial Year 2014-2015 was ₹ 2,086.80 mn and the Total Expenses for the year were ₹ 1,121.73 mn and the resultant Profit after Tax on a consolidated basis for the Financial Year 2014-2015 was ₹ 730.26 mn (after minority interest)

On a standalone basis, the Total Income of the Company for the Financial Year 2014-2015 was ₹ 1,154.63 mn and the Total Expenses for the year were ₹ 392.95 mn and the resultant Profit after Tax for the Financial Year 2014-2015 was ₹ 558.92 mn

SUBSIDIARIES AND JOINT VENTURES

Your Company has three Domestic Subsidiaries viz. IL&FS Asian Infrastructure Managers Limited, IL&FS Urban Infrastructure Managers Limited and IIML Asset Advisors Limited and three Offshore Subsidiaries viz. IL&FS Investment Advisors LLC, Mauritius, IIML Advisors LLC, Mauritius and IIML Fund Managers (Singapore) Pte Ltd, Singapore

Your Company also has two Joint Venture Companies viz. Standard Chartered IL&FS Management (Singapore) Pte Limited, Singapore and IL&FS Milestone Realty Advisors Private Limited

As per Section 129(3) of the Companies Act, 2013 and Clause 32 of the Listing Agreement, the consolidated financial statements of the Company with its Subsidiaries forms part of the Annual Report

The copies of the Audited Annual Accounts of the Company's Subsidiaries and other related documents can also be sought by any member of the Company or its Subsidiaries on making a written request to the Company Secretary in this regard. The Annual Accounts of the Subsidiary Companies are also available for inspection by any member at the Company's and/or the concerned Subsidiary's Registered Office

A separate statement pursuant to Section 129(3) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 containing the salient features of the Financial Statements of the Company's Subsidiaries and Joint Ventures in Form AOC 1 is given as an Annexure to Standalone Financial Statements

Performance and Financial position of the Subsidiaries and Joint Venture Companies :

IL&FS Asian Infrastructure Managers Limited :

IL&FS Asian Infrastructure Managers Limited [IAIML] had been set up to manage the Pan Asia Project Development Fund, India (the Fund). The Fund, having a corpus of ₹ 1,125 mn, has 4 balance investments on its books, which are in various stages of being divested. IAIML is playing an active role in managing, monitoring and crafting exit from these balance investments

The Total Income for Financial Year 2014-2015 was ₹ 12.50 mn inclusive of Income from Investments and Other Income of ₹ 4.30 mn. The Total Expenses of IAIML for the year were ₹ 11.13 mn and the resultant Profit after Tax for the year was ₹ 1.37 mn

IL&FS Urban Infrastructure Managers Limited :

IL&FS Urban Infrastructure Managers Limited [IUIML] 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. The corpus of the PMDO Facility stands at ₹ 50 bn. The Company's role as an Asset Manager is to identify and appraise the eligible projects and obtain sanctions of the lenders and thereafter assist the lenders to disburse, monitor and administer the loan assets until entire repayment of the loan. By March 31, 2015, projects for term loans of ₹ 30.83 bn have been sanctioned from the PMDO facility and the assets under management were at ₹ 17.33 bn

The Total Income for the Financial Year 2014-2015 was ₹ 152.37 mn inclusive of Income from Investments and Other Income of ₹ 8.09 mn. The Total Expenses of IUIML for the year were ₹ 120.74 mn and the resultant Profit after Tax for the year was ₹ 22.81 mn

IIML Asset Advisors Limited :

IIML Asset Advisors Limited [IAAL] is in the business of providing advice on investments, finance, management and consultancy and acts as the India Advisor to IL&FS Investment Advisors LLC for two funds

The Total Income of IAAL for the Financial Year 2014-2015 was ₹ 101.39 mn. The Total Expenses of IAAL for the year were ₹ 70.28 mn and the resultant Profit after Tax for the year was ₹ 22.82 mn

IL&FS Investment Advisors LLC :

IL&FS Investment Advisors LLC, Mauritius [IIAL] acts as the Investment Manager to IL&FS India Realty Fund LLC, IL&FS India Realty Fund II LLC, Tara India Fund III LLC, Tara India Fund IV LLC, K2 Property Limited and Saffron India Real Estate Fund

The Total Income of IIAL for the Financial Year 2014-2015 was US\$ 24.03 mn. The Total Expenses of IIAL for the year was US\$ 19.97 mn and the resultant Profit after Tax for the year was US\$ 3.84 mn

IIML Advisors LLC :

IIML Advisors LLC [IAL] has been set up for managing certain niche funds from Mauritius

IIML Fund Managers (Singapore) Pte Ltd

IIML Fund Managers (Singapore) Pte Ltd [IFMPL] was incorporated for the purposes of managing funds from Singapore. The Company is currently acting as a Manager to a Fund and as an Advisor to another Fund

The Total Income of IFMPL for the Financial Year 2014-2015 was US\$ 0.51 mn. The Total Expenses of IFMPL for the year was US\$ 0.52 mn and the resultant Loss after Tax for the year was US\$ 0.01 mn

Standard Chartered IL&FS Management (Singapore) Pte Limited :

Standard Chartered IL&FS Management (Singapore) Pte. Limited [SCIMPL], is a 50:50 joint venture company established with the Standard Chartered Bank to manage the Standard Chartered IL&FS Asia Infrastructure Growth Fund (the Fund). The Fund, having a corpus of US\$ 658 mn, currently has 6 balance investments on its books. The Manager is playing an active role in managing and monitoring these investments

The Total Income of SCIMPL for the Financial Year 2014-2015 was US\$ 3.22 mn. The Total Expenses of SCIMPL for the year was US\$ 2.97 mn and the resultant Profit after Tax for the year was US\$ 0.26 mn

Directors' Report

IL&FS Milestone Realty Advisors Private Limited :

IL&FS Milestone Realty Advisors Private Limited [IMRAPL], is a joint venture company established with the objective of raising funds that would invest in income yielding assets. Since inception, the JV raised three funds that are currently under exit/asset management mode

The Total Income of IMRAPL for the Financial Year 2014-2015 was ₹ 92.07 mn. The Total Expenses of IMRAPL for the year were ₹ 79.22 mn and the resultant Profit after Tax for the year was ₹ 9.16 mn

FUTURE OUTLOOK

India is today at the cusp of a strong growth revival. Lower commodity prices, especially oil and coal, are assisting in fiscal deficit control and in taming the inflation. The resultant reversal in the interest rate cycle is bound to spur investment. The Reserve Bank of India has already reduced rates by 50 basis points, and the market expects further reductions over the course of the year. The Government's focus on increasing ease of business, on 'Make in India', on removing hurdles facing the infrastructure sector, its stance on expeditiously undertaking the coal mine auctions in a transparent manner etc. is also a key contributor to the marked improvement in business confidence. In response, the rating outlook of India has improved, with Moody's upgrading the investment outlook to 'positive'

The positive news flow works to the Company's advantage, both in terms of divestments, and for raising fresh funds. The Company therefore expects that the divestments will keep pace during FY2016. The Company will work towards mitigating the resultant impact on the AUM by focusing on new fund raises and other fee based income streams arising from its asset management mandates

Key to maintaining and increasing profitability levels on a long term basis is raising of fresh funds. Towards this end, a core infrastructure fund and two listed funds are planned. Parallely, the Company is also exploring a transaction-wise investment/management strategy wherein the Company will leverage its investor base, bring together like minded investors, and invest into pre-identified assets

The Company's past track record in investing and the general improvement in macroeconomic conditions places us in a strong position. Thus while fund raise timelines may be less predictable, the eventual outcomes are expected to be positive

DIRECTORS

Mr Ramesh Bawa, Non-Executive Director of the company was appointed as the Managing Director and Mr Milind Patel as an Additional Director of the Company at the meeting of the Board of Directors held on May 5, 2015. On even date Mr Siddharth Mehta, Non-Executive Independent Director of the Company vacated the office of Director pursuant to the provisions of Section 167(1)(b) of the Companies Act, 2013 and Mr Shahzaad Dalal ceased to be the Vice Chairman of the Company. Mr Shahzaad Dalal continues as a Non-Executive Director of the Company

Mr Ravi Parthasarathy and Mr Arun Saha shall retire by rotation in the ensuing Annual General Meeting and being eligible offer themselves for re-appointment

BOARD INDEPENDENCE

The Company has received Declarations of Independence pursuant to Clause 49 of the Listing Agreement and Section 149(6) of the Companies Act, 2013 from all the Independent Directors

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met four times during the Financial Year ended March 31, 2015. The meetings were held during the year on May 5, 2014, August 7, 2014, November 5, 2014 and January 29, 2015. The details of the Board Committee Meetings and attendance of the Directors at the Board/Committee meetings are given in the Corporate Governance Report

Directors' Report

SELECTION CRITERIA FOR APPOINTMENT OF DIRECTORS

The Board has framed a selection criteria for determining the necessary qualifications and attributes for appointment of Directors and also to ensure Board diversity. The details of the above are provided in the Corporate Governance Report

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of the Board. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013 :

- (a) in the preparation of the Annual Accounts for the year ended March 31, 2015, the applicable Accounting Standards have been followed along with proper explanations relating to material departures, if any;
- (b) that such accounting policies as mentioned in Note 1 of the Notes to the Annual Accounts have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the March 31, 2015 and of the Profit of the Company for the year ended on that date;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the Annual Accounts are prepared on a going concern basis;
- (e) that proper internal financial controls were in place and that the internal financial controls were adequate and were operating effectively; and
- (f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively

RISK MANAGEMENT & INTERNAL CONTROL SYSTEMS

Risk Management forms an integral part of the business of the Company. The Company has a Risk Management Framework, which not only ensures timely identification of risks, analysis of the reasons for such risk, assessment of its materiality, assessment of its impact but also adequate risk mitigation processes. The Risk Management Framework encompasses all areas of the Company's business and the Funds under its management. The Risk Management Framework ensures that all risks however remote which could potentially threaten the existence of the Company are identified and risk mitigation steps identified for them

The Company has an adequate system of internal controls commensurate with the nature of its business and complexity of its operations to ensure accuracy of accounting records, compliance with all laws and regulations and compliance with all rules, processes and guidelines prescribed by the management

An extensive internal audit is carried out by an independent firm of Chartered Accountants. Post audit reviews are also carried out to ensure follow up on the observations made. The scope of the internal audit is determined by the Audit Committee and the Internal Audit Reports are reviewed by the Audit Committee on a regular basis

RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the Financial Year were on an arm's length basis and were in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, there are no contracts or arrangements with related parties to be disclosed in Form AOC-2 pursuant to Clause (h) of Sub section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014

Directors' Report

The disclosure of transactions with related parties is set out in Note No. 27 of the Standalone Financial Statements, forming part of the Annual Report

The Company has developed a Related Party Transactions Framework for the purpose of identification and approval of such transactions. The Policy on Related Party Transactions as approved by the Board has been uploaded on the Company's website and is available on the link <http://www.iimlindia.com/Policies.aspx>

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of the Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes No. 8, 10, 11 & 14 of the Standalone Financial Statements

KEY MANAGERIAL PERSONNEL

Pursuant to Section 203 of the Companies Act, 2013, the Company has designated Dr Archana Hingorani, Executive Director & Chief Executive Officer, Mr Manoj Borkar, Chief Financial Officer and Mr Sanjay Mitra, Company Secretary as the Key Managerial Personnel of the Company

PARTICULARS OF EMPLOYEES

Your Directors wish to place on record their appreciation for the services rendered by the employees of the Company at all levels

The particulars of the employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Directors' Report for the year ended March 31, 2015

In terms of Section 136 of the Act, the Report and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars, pursuant to Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 which is available for inspection by the members at the Registered Office of the Company during business hours on all working days of the Company up to the date of the ensuing Annual General Meeting. Any member interested in obtaining a copy of the said information may write to the Company Secretary at the Registered Office of the Company. The particulars of employees pursuant to Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, is annexed as Annexure 1

DETAILS OF EMPLOYEE STOCK OPTION PLANS

The detailed disclosures as per SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 of the ESOP Schemes of the Company are given in Annexure 2 to the Directors' Report

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The remuneration paid to the Directors and the Senior Management is as per the Managerial Remuneration Policy of the Company. Brief details of the Managerial Remuneration Policy are provided in the Corporate Governance Report

EMPLOYEES WELFARE TRUST

The Employees Welfare Trust (EWT) of the Company holds shares for benefit of all its employees and does not hold shares for the benefit of individual employees. Further, the EWT currently has not lent any amount to the employees of the Company for acquiring shares of the Company. The EWT does not exercise voting rights in respect of shares held for the benefit of specific employees

Directors' Report

POLICY FOR PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has always been committed to provide a safe and dignified work environment for its employees which is free of discrimination, intimidation and abuse. The Company has adopted a Policy for Prevention of Sexual Harassment of Women at Workplace under the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Act"). The objective of this policy is to provide protection against sexual harassment of women at workplace and for redressal of complaints of any such harassment. The Company has also constituted an Internal Complaints Committee to redress the complaints received under this policy. During the year, no complaints were received by the Company

STATUTORY AUDITORS

The Statutory Auditors of the Company M/s Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai, Registration Number 117366W/W-100018 were appointed at the last Annual General Meeting held on August 7, 2014, for a period of three years subject to annual ratification of the same by the members

Accordingly, the appointment of M/s Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai, as the Statutory Auditors of the Company, is proposed for annual ratification by the members at the ensuing Annual General Meeting

SECRETARIAL AUDIT

The Company has appointed M/s Mehta & Mehta, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The Secretarial Audit Report is annexed herewith as Annexure 3

QUALIFICATIONS IN THE AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s Deloitte Haskins & Sells LLP, Statutory Auditors, in their report and by M/s Mehta & Mehta, Company Secretaries in Practice, in their Secretarial Audit Report

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review

INCREASE IN SHARE CAPITAL

During the year your Company also allotted 4,40,625 Equity Shares of ₹ 2/- each on the exercise of Options issued under the Employee Stock Option Plan 2006

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a Report on Corporate Governance along with the Management Discussion and Analysis and the Auditors' Certificate on compliance with the Corporate Governance requirements have been included in this Annual Report as separate sections

CORPORATE SOCIAL RESPONSIBILITY

The Company has adopted a Corporate Social Responsibility (CSR) Policy, which aims at nurturing socio-economic development schemes for capacity building, livelihood creation, quality education, empowerment of people, etc., with the primary goal of ensuring that benefits reach the targeted beneficiaries. The approach of the Company for implementation of the CSR activities is to identify and fund projects in response to the needs of society, devise transparent monitoring mechanisms and ensure whole hearted commitment to get the desired results

Directors' Report

The Company will undertake specific CSR projects that are in conformity with the Schedule VII of the Companies Act, 2013. Given that the Company is in the private equity fund management business and invests across India and in all sectors, the Company shall undertake CSR activities in Mumbai and also across the country

In addition to the NGOs the Company currently supports, it shall engage with Nalanda Foundation a Charitable Trust, established by Infrastructure Leasing & Financial Services Limited (IL&FS) for its group CSR activities. The Annual Plan for CSR shall be approved at the start of each financial year. Periodic reviews and/or modifications to the projects and allocations will be approved by the CSR Committee. Post approval of the Board and the Committee all actual expenditures for a specific project shall be approved by the Chief Executive Officer

The Company's CSR Intervention shall be in the areas of Promoting Education, Vocational skill development, and Livelihood enhancement

The CSR policy is posted on the Company's website at the link <http://iimlindia.com/Policies.aspx>

The Company has been actively involved in various CSR initiatives over the last few years long before it was mandated by the Companies Act, 2013. In addition to its existing CSR initiatives, with the advent of Companies Act, 2013 it was thought prudent to channelise the Company's CSR effort along with the IL&FS Group's CSR initiatives in order to make a more significant impact. Given the first year of a much larger CSR initiative, the team had to spend considerable amount of time to formalise the process, identify the focus areas, the projects, desired outcomes, put in a place a comprehensive monitoring and reporting framework etc. This resulted in a delay in the implementation of the initiatives and hence the Company could not expend the desired amounts. However, given that the framework has now been put in place the Company is of the view that going forward, the Company will be in a position to expend the amounts as envisaged in the Companies Act, 2013

The Composition of the CSR Committee is given in the Corporate Governance Report

The Annual Report on the CSR activities is annexed herewith as Annexure 4

WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blowers Policy for employees to report instances of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct

The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company

DEPOSITS

Your Company has not accepted any deposits from the public for the year under consideration

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Since the Company does not own any manufacturing facility, the Energy Conservation and Technology Absorption particulars in the Companies (Accounts) Rules, 2014, are not applicable

The particulars regarding foreign earnings and expenditure appear as Item Nos. 21(c) and 21(d) of the Notes to Accounts

EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of the Annual Return pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in Form MGT 9 are annexed herewith as Annexure 5

Directors' Report

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations

ACKNOWLEDGEMENT

The Board of Directors take this opportunity to thank the Investors of the Funds under management, shareholders, employees, bankers, Reserve Bank of India, Securities and Exchange Board of India, other Regulatory authorities for their co-operation and continued support to the Company. We look forward to their continued patronage and encouragement in all our future endeavours

For and on behalf of the Board

S M DATTA
Chairman

Place : Mumbai
Date : May 5, 2015

(I) Business Overview

The global economic recovery remained tepid and divergent across economies. Growth has been firming up in the US and while the economic conditions in the Euro Zone remained weak, there was some progress in the second half of FY2015, supported by lower crude prices, Euro depreciation as well as increased bank lending. Japan's growth contracted due to an increase in the consumption tax but the impact is now waning and consumption is expected to increase

On the other hand, most Emerging Markets continue to decelerate due to subdued external demand, political uncertainty and domestic supply side constraints. In China, activity levels have come down as investment led demand lost pace and the real estate sector weakened on deleveraging. The Russian economy slowed sharply due to falling oil prices. Brazil is affected by a drought, tightening of macro-economic policies and weak private sector sentiment. Given the relatively strong performance in the US, it is expected that the US Federal Reserve will increase interest rates this calendar year. The resultant flight of capital will place further challenges on the Emerging Economies

However, notwithstanding the challenges, the International Monetary Fund has estimated global growth rate at 3.5% for CY2015, with 70% of the growth coming from emerging and developing markets. This expectation would be subject to multiple factors/downsides - there is a possibility of renewed economic turmoil in Europe, a Fed tightening cycle that unfolds sooner and more aggressively than expected, and the emergence of a new geo-political fault lines, which can derail the global growth trajectory

During the last year, a positive development for the Emerging Economies has been that inflationary pressures have subsided due to collapse of international commodity prices, especially crude, giving leeway for easing monetary policy. India has been a key beneficiary of the same. India's growth has gained momentum due to a positive election outcome, which placed a stable Government at the Centre, falling global commodity prices, which has contributed to a significant inflation moderation, as also positive policy announcements, which have strengthened business confidence

Per the new GDP series, India's economic growth has accelerated to 7.4% in FY2015. The Services sector, which grew at 10.7% from April to December 2014, has been the main engine. Ingredients for revival of the weakest link - the industrial production, are also falling into place. With inflation under control, the Reserve Bank of India (RBI) has announced two rate cuts, aggregating 50 basis points. More rate cuts are expected. The RBI has also worked towards providing higher liquidity. In addition, fiscal deficit is broadly under control. As a result, financial markets in India rallied in H2 FY2015, with FII's investing US\$ 18 bn during the year

The global Private Equity industry reflected the uncertain economic environment. Private Equity funds raised US\$ 310 bn globally in CY2014, a drop of 9% over last year. In contrast, fund raising in Emerging Asia grew 8% year on year. Private Equity funds investing in India raised US\$ 2.1 bn in CY2014. While an improvement over the previous year, the average fund raising over the last 2 years in India has been 41% lower compared to the 3 year period since 2010. However, investors believe in the long term potential of India and are willing to invest with India focused managers, albeit with more caution, and possibly with more control. As a result, diligence process has become more extensive, and the selection criterion more stringent

The emerging investing paradigm is reflected in the fact that PE investments have picked up during the last year, largely on the back of direct deals being done by large institutional and sovereign wealth funds. Recent bulge bracket deals done in the e-commerce space are a case in point. At the other end of the spectrum, venture capital investing, focused on the technology space, has also picked pace

The investing paradigm in the infrastructure and real estate space is also undergoing a change. Investors, who had shunned these sectors till recently, are re-gaining confidence; there is palpable increase in interest levels for buying into operating, yield bearing assets, in many instances with an appetite to take on controlling stakes. Interest is also getting rekindled in sectors which have lower regulatory issues – healthcare, logistics, consumer services, financial intermediation, to name a few

In such an environment, the key focus for Indian Fund Managers has been to re-engage with investors with new fund/investing formats, which tie into their investment objectives and transformed thought process. A key to this re-engagement would be to showcase the successful harvesting of prior investments and to then return capital to Fund's investors. With the revival of the primary markets, the pace of divestments is expected to accelerate, thereby laying the ground for the next wave of fund raising in India

(II) Analysis of Performance for the year ended March 2015

(1) Business Review :

The period leading up to the formation of the new Government last year had been one full of challenges. Investor perception had hit a nadir. Notwithstanding the investor's averseness in deploying additional capital into India, we continued to exert significant efforts and commit substantial resources towards investor outreach, with a view to have a top of the mind recall as also build new relationships amongst institutional investors

More importantly, this process of investor connect enables us to clearly understand the market drivers and the types of fund products which would meet the investor's requirements. However, more often than not, such initiatives do not have a one-on-one connect with measurable outcomes and most certainly do not produce tangible results within financial years

With the business environment now improving, and with international investors re-engaging with India investing, we are well placed to capture the resultant gains and monetize the efforts put in over the last 2-3 years. A positive step in this direction has been the First Close of our 4th generation general purpose Private Equity Fund. The Fund has raised a modest US\$ 40 mn, and we expect to ramp this up to US\$ 100 mn during the coming financial year

More importantly, the Company has initiated work on a classic infrastructure Fund and two alternate real estate and infrastructure focused funds on the listed platform. The fund raising strategy would be to opportunistically raise a mix of closed ended funds and listed funds, which ensure a steady pool of capital. Parallely, the Company is also exploring a transaction-wise investment/management strategy wherein the Company will leverage its investor base, bring together like minded investors, and invest into pre-identified assets

A critical ingredient for success in new fund raise is our divestment track record. In this aspect, we have a significant opportunity to showcase our expertise, given that all the Funds managed by the Company are presently in the monitoring and harvesting stage. While Funds of the 2006-2007 vintage such as the Pan Asia Project Development Fund and the IL&FS India Realty Fund are in active divestment phase, others of the later vintage, like the Standard Chartered IL&FS Asia Infrastructure Growth Fund and Tara India Fund III are in a phase where the Company is working with the respective investee companies to build long term value, and lay the path towards liquidity over the next 2-3 years

Consequently, on the investment front, the year saw the Company undertaking select few follow-on investments, aggregating ₹ 387 million (compared to ₹ 247 million in FY2014). On the other hand, the Company undertook 24 divestments, aggregating ₹ 10.4 billion during the year. Coupled with yield/dividend income of ₹ 1.3 billion, this year's reverse cash flows of ₹ 11.7 billion have fared well in comparison to the ₹ 9.7 billion cash flows generated during FY2014

Given the stage at which most of the Funds are at, the pace of divestments would only increase over the 2 years. Managing this increased pace, which is already at a high pitch, relative to many of the Company's peers, is one of the key challenges for the Company. Divestments from closely held investments necessarily involves protracted negotiations with multiple potential investors and stake holders. This consumes significant management bandwidth. However, in the end, the Company is better placed to reap the benefits of a divested Fund; it has a stronger footing when it approaches institutional investors for the next round Funds

The Company is therefore at an inflection point; divestments would lead to decline in its Assets under Management (AUM), which then would be succeeded by the AUM increasing on the back of the next round Fund raise. While the success of these new Fund initiatives is contingent on various factors, the extant global and local macro environment seems to be conducive for our endeavours. Some PE funds have taken advantage of the same to raise fresh funds and the Company would also be a beneficiary of these tailwinds

(2) Financial Performance :

With a steady divestment pattern, the fee earning AUM of the Company has been declining. Lower profitability from this count has been offset by a focus on generating other fee based income, as also by way of cost rationalisation. The Company has put in place various mandates to leverage its expertise in asset management. These mandates provide incremental success fee based income over and above our AUM linked management fee income

Management Discussion And Analysis

On a consolidated basis, the Total Income of the Company for the Financial Year 2014-2015 was ₹ 2,086.80 million. The resultant Profit after Tax on a consolidated basis for the Financial Year 2014-2015 was ₹ 730.26 million

(III) Outlook for Financial Year 2015-2016

After posting a decadal low in growth, the Indian economy is poised to turnaround. There are some early indicators pointing towards this recovery. India is today in a sweet spot wherein lower commodity prices, especially oil and coal, are assisting in fiscal deficit control and in taming the inflation. The resultant reversal in the interest rate cycle is bound to spur investment. The Reserve Bank of India has already reduced rates by 50 basis points, and the market expects further reductions over the course of the year. The Government's focus on increasing ease of business, on 'Make in India', on removing hurdles facing the infrastructure sector, its stance on expeditiously undertaking the coal mine auctions in a transparent manner etc. is also a key contributor to the marked improvement in business confidence. In response, the rating outlook of India has improved, with Moody's upgrading the investment outlook to 'positive'

The positive news flow works to our advantage, both in terms of divestments, and for raising fresh funds. The Company therefore expects that the divestment pace will further pick up speed during FY2016. The Company will work towards mitigating the resultant impact on the AUM by focusing on other fee based income streams arising from its asset management mandates. However, key to maintaining and increasing profitability levels on a long term basis is raising of fresh funds. Towards this end, a core infrastructure fund and two listed funds are planned. Our past track record in infrastructure investing and the general improvement in macroeconomic conditions places us in a strong position

Key to the speed of the infrastructure fund raise would be the actions taken by the Government to revive the investment cycle in this sector, and the resultant improvement in the investor perception, which had been severely damaged in the last 2-3 years. Factors influencing fund raise are diverse, emanating both from our own constraints as well as from uncontrollable extraneous factors

Experience is on our side; we have gone through multiple round of fund raises in the past, and sometimes in situations more challenging than the present. This gives us the confidence that, all things being equal, we are better placed than most others to raise fresh capital

(IV) Business Segment and Human Resources

The Company presently operates in one business segment – fund management and other related services

The Company's management continues to work parallelly on two fronts - (i) effecting orderly divestments for Fund under management and (ii) engaging with international investors to gauge interest levels, and to accordingly customize new fund offerings. The effort in relation to the first viz. effecting divestments, is both visible and measurable, with the outcomes arising with regular periodicity. The Team has been able to deliver strongly on this front

The effort in relation to the second viz. coming out with a new fund product, is less evident and more subtle; outcomes are more episodial and not bracketed by financial years. The Team continues to have an unrelenting focus on this front, and while timelines may be less predictable, the eventual outcomes are expected to be positive

The Company presently has 52 employees

(V) Internal Control Systems

The Company has an adequate system of internal controls to ensure accuracy of accounting records, compliance with all laws and regulations and compliance with all rules, processes and guidelines prescribed by the management

An extensive internal audit is carried out by an independent firm of Chartered Accountants. Post audit reviews are also carried out to ensure follow up on the observations made. The scope of the internal audit is determined by the Audit Committee and the internal audit reports are reviewed by the Audit Committee on a regular basis

Corporate Governance Report

(A) COMPANY PHILOSOPHY

The Company practises highest level of ethics, observes principles of transparency and fairness in all its dealings. The Company is committed to operating in a regulated manner, maximising members' value and enhancing the value of services to all members at large

(B) BOARD OF DIRECTORS

(1) Composition :

- The Company's Board comprises of a Non-Executive Chairman, Managing Director, seven Non-Executive Directors and one Executive Woman Director. The Chairman of the Board is a Non-Executive Independent Director
- None of the Directors of the Company are Directors of more than ten Indian Public companies and none of the Directors are Directors of more than twenty Indian companies
- None of the Directors are Independent Directors in more than seven Listed Companies or who are serving as a Whole-time Director in any Listed Company are Independent Directors in more than three Listed companies
- None of the Directors hold Chairmanship of more than five Committees or Membership in more than ten Committees of Public Limited Companies as stipulated under Clause 49 of the Listing Agreement
- All the Independent Directors of the Company have furnished a declaration that they satisfy the conditions of being independent as stipulated under Clause 49 of the Listing Agreement

(2) Board Meetings :

- The Board of Directors met four times during the Financial Year ended March 31, 2015 and the gap between two meetings did not exceed four months. The meetings were held during the year on May 5, 2014, August 7, 2014, November 5, 2014 and January 29, 2015
- The category of Directors, their attendance record at the Board Meetings held during the Financial Year ended March 31, 2015 and at the previous Annual General Meeting along with their Memberships/Chairmanships on the Board Committees of Companies are as follows :

Name of the Director	Category of Director @	No. of Board Meetings attended	Attendance at the last AGM held on August 7, 2014	No. of Directorships *	Committee Memberships #	Committee Chairmanships #
Mr S M Datta (Chairman) DIN 00032812	NEID	4	Yes	12	7	2
Mr Ravi Parthasarathy DIN 00002392	NED	2	No	10	-	-
Mr Bansi Mehta DIN 00035019	NEID	3	Yes	9	6	3
Mr Jitender Balakrishnan DIN 00028320	NEID	4	Yes	11	6	1
Mr Siddharth Mehta \$ DIN 02665407	NEID	1	No	3	-	-
Mr Arun Saha DIN 00002377	NED	4	Yes	10	6	2
Mr Ramesh Bawa DIN 00040523	NED	2	Yes	10	2	1
Mr Vibhav Kapoor DIN 00027271	NED	3	No	9	4	1

Mr Shahzaad Dalal DIN 00011375	NED	4	Yes	7	2	-
Dr Archana Hingorani DIN 00028037	ED	4	Yes	11	1	-

@ ED - Executive Director, NED - Non-Executive Director, NEID - Non-Executive Independent Director

* The number of Directorships excludes Directorships of Foreign Companies, if any

The other Committee Memberships & Committee Chairmanships comprise of only two committees i.e. Audit Committee & Stakeholders Relationship Committee of Public Limited Companies as required under Clause 49 of the Listing Agreement

\$ Mr Siddharth Mehta vacated the office of Director pursuant to Section 167(1)(b) of the Companies Act, 2015 on May 5, 2015

(c) Appointment/Re-appointment of Directors :

Pursuant to the provisions of Section 152 of the Companies Act, 2013, following directors shall be appointed/re-appointed at the ensuing Annual General Meeting

(i) Mr Ramesh Bawa shall be appointed as the Managing Director of the Company

(ii) Mr Milind Patel shall be appointed as a Non-Executive Director of the Company

(iii) Mr Ravi Parthasarathy and Mr Arun Saha shall retire by rotation at the ensuing Annual General Meeting

(iv) The Board has recommended the appointment/re-appointment of Mr Ramesh Bawa, Mr Milind Patel, Mr Ravi Parthasarathy and Mr Arun Saha to the members of the Company

(d) Code of Conduct :

The Board has laid down a Code of Conduct for all its Board members and the Senior Management of the Company. The Code of Conduct includes the Code for the Independent Directors pursuant to Schedule IV of the Companies Act, 2013. The Code of Conduct as laid down by the Board has already been posted on the Company's website. The Company has obtained the confirmation of the compliance with the Code from all members of the Board and Senior Management of the Company for the Financial Year 2014-15. As required under Clause 49 of the Listing Agreement, the declaration on compliance of the Company's Code of Conduct signed by the Chief Executive Officer & Executive Director forms part of this Annual Report

(3) Selection Criteria for appointment of Board of Directors :

(a) The Board has adopted a Selection Criteria for hiring of Members of the Board. The candidate is expected to meet certain criteria including one of following criteria :

(i) Must have been a CEO or a Business Head in the past of an organisation

(ii) Must have expertise in a specific area like Legal, Tax, HR, Marketing etc.

(iii) Business Head role or General Management role in the financial services space

(iv) An independent, eminent specialist or professional

(b) Board Diversity :

(i) The Company is sensitive to the need for a robust Board process that enables different views to be expressed, heard and considered. The Company believes that Board members armed with divergent skills, expertise, experience and knowledge will make the Company's Board more effective and make the Company more agile to face complex issues. A Board comprising of members from divergent backgrounds allows tackling the same issues in differing ways and helps combat common limitations

(ii) The Company is desirous of having suitable Board Diversity in terms of gender, skills, educational and professional patronage, industry experience, and the Company's selection criteria of new Directors shall be guided by these principles

(4) Evaluation of Board's Performance :

The objective of this evaluation is to facilitate the review of performance of the individual Directors and the Board as a whole. The Board will undertake the following activities annually :

- (a) The Chairperson may meet with Non-Executive Directors to discuss individual performance and ideas for improvement
- (b) The Board as a whole will discuss and analyse its own performance during the year including suggestions for improvement
- (c) The performance of the Executive Directors shall also be reviewed annually which shall in turn reflect on their remuneration
- (d) The Board shall review the necessity of establishing any Committees and delegating certain of its responsibilities to the Committees
- (e) Schedule IV of the Companies Act, 2013 prescribes the Code for Independent Directors (Code). The Company has adopted the Code by incorporating it in the Company's Code of Conduct. Roles, responsibilities, appointment and evaluation of the Independent Directors will be governed by the Code

(5) Terms of Appointment of Independent Directors :

The terms of appointment of Independent Directors are posted on the website of the Company and are available at the link http://www.iimlindia.com/Independent_Director.aspx

(6) Familiarisation Programme for Independent Directors :

Familiarisation is an ongoing process and the existing Independent Directors are briefed on the developments in the industry and the Company in detail at all Board Meetings. The Independent Directors are also briefed on the regulatory and legal developments impacting the company and also on their role as Independent Directors as and when the need arises. Further details of the familiarisation programme for Independent Directors is available on the Company website at the link <http://iimlindia.com/Policies.aspx>

(7) Independent Directors' Meeting :

The Independent Directors met on May 2, 2015, inter alia :

- (a) To review the performance of non-independent directors and the Board as a whole
- (b) To review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors
- (c) Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties

(C) AUDIT COMMITTEE

(1) Constitution of the Audit Committee :

The Committee presently comprises of four Directors of which three are Non-Executive Independent Directors. All the members of the Audit Committee are financially literate. Mr Banshi Mehta, the Chairman of the Committee is a Chartered Accountant by profession and has expertise in the taxation, accounting and financial management domain

(2) Terms of Reference :

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Standard Listing Agreement with Stock Exchanges, the Board at its meeting held on May 5, 2014 has revised the terms of reference of the Audit Committee, to include the following :

- (a) Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- (b) Recommend to the Board, the appointment, remuneration, terms of appointment of the Auditor of the Company
- (c) Review and monitor the Auditor's independence and performance and effectiveness of the audit process
- (d) Approval of payment to the statutory auditors for any other services rendered by the statutory auditors

- (e) Review with the management, the annual financial statements and the auditors' report thereon, before submission to the Board for approval, with particular reference to :
 - (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
 - (ii) Changes, if any, in accounting policies and practices and reasons for the same
 - (iii) Major accounting entries involving estimates based on the exercise of judgment by the Management
 - (iv) Significant adjustments made in the Financial Statements arising out of audit findings
 - (v) Compliance with the listing and other legal requirements relating to the financial statements
 - (vi) Disclosure of any related party transactions
 - (vii) Qualifications in the draft audit report
 - (viii) Review with the Management, the quarterly financial statements before submission to the Board for approval
 - (ix) Review with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, monitoring related matters and making appropriate recommendations to the Board to take up steps in this matter
 - (x) Approval of any subsequent modification of transaction of the Company with related parties
 - (xi) Scrutiny of inter-corporate loans and investments
 - (xii) Valuation of undertakings or assets of the Company, wherever it is necessary
 - (xiii) Review with the Management, performance of statutory and internal auditors and adequacy of the internal control systems
 - (xiv) Evaluation of the internal financial controls and risk management systems
 - (xv) Review the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
 - (xvi) Discussion with Internal Auditors on any significant findings and follow up there on
 - (xvii) Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
 - (xviii) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
 - (xix) Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, members (in case of non-payment of declared dividends) and creditors
 - (xx) Review the functioning of the Vigil Mechanism
 - (xxi) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate
 - (xxii) Review the Management Discussion and Analysis
 - (xxiii) Review the financial statements of unlisted subsidiary companies
 - (xxiv) Carrying out any other function as is referred to it by the Board of Directors

(3) Audit Committee Meetings :

The Audit Committee met four times during the Financial Year ended March 31, 2015 on May 5, 2014, August 7, 2014, November 5, 2014 and January 28, 2015 and the composition and attendance record of the members at the Audit Committee Meetings are as follows :

Name of the Director	Designation	Number of Meetings Attended
Mr Banshi Mehta	Chairman	4
Mr S M Datta	Member	4
Mr Vibhav Kapoor	Member	3
Mr Jitender Balakrishnan	Member	4

(4) Attendees :

The Statutory Auditors, the Internal Auditors, the Chief Executive Officer & Executive Director, the Chief Financial Officer and the Company Secretary are invited to attend the meetings. The Audit Committee also invites such other senior executives as it considers appropriate to be present at its meetings

(D) NOMINATION AND REMUNERATION COMMITTEE

(1) Composition :

- The Board at its meeting held on May 5, 2014 renamed the Compensation Committee of the Company as the Nomination & Remuneration Committee (N&RC) and expanded the scope of the Committee as per the requirements of the Companies Act, 2013
- Mr Banshi Mehta is the Chairman of the N&RC
- The Committee comprises of two Non-Executive Independent Directors and one Non-Executive Director. The Chairman of the Committee is a Non-Executive Independent Director

(2) Terms of Reference :

The Board at its meeting held on May 5, 2014 expanded the terms of reference of the Nomination & Remuneration Committee as per the requirements of the Companies Act, 2013 to include the following :

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees
- Formulation of criteria for evaluation of Independent Directors and the Board
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal
- Approve criteria and quantum of compensation for Executive Directors
- Recruitment of key management personnel and their compensation
- Determination of the annual increments and performance related pay of the employees
- Administration of the various Employee Stock Option Plans of the Company
- Such other matters as the Board may from time to time request the Committee to examine, recommend and approve

(3) Managerial Remuneration Policy :

- The Board has adopted the Managerial Remuneration policy to attract and retain competent personnel and to provide competitive performance based compensation and benefits depending on various factors such as the market scenario, business performance of the Company and the remuneration practices in the financial sector
- The structure of managerial remuneration policy is segregated in five parts namely remuneration pattern of Whole-time Directors, Key Managerial Personnel, Senior Management, Non-Executive Directors and succession planning

- (i) Remuneration structure of the Whole-time Director :
 - » Monthly base salary based on seniority and experience
 - » Performance linked incentives : Variable component determined by the Nomination & Remuneration Committee based on performance against the pre-determined financial and non-financial metrics
 - » Issue of ESOPs from time to time : Accrues depending on the length of service
 - » Retiral Benefit : Paid post separation from the Company as per the Rules of the Company and Statutory Provisions
 - » Perquisites and Benefits : All other benefits including perquisites are as per the rules of the Company
- (ii) Remuneration structure of the Key Management Personnel :
 - » Fixed Remuneration : This includes a Monthly Salary such as Consolidated Pay, Special Allowance and Allowances as per the Rules of the Company
 - » Variable Remuneration : This is based on the Company's and the individual's performance
 - » Retirals : This includes contribution to the Provident Fund, Gratuity and Superannuation Fund
- (iii) Remuneration structure of the Senior Management :
 - » Fixed Remuneration : This includes a Monthly Salary such as Consolidated Pay, Special Allowance and Allowances as per the Rules of the Company
 - » Variable Remuneration : This is based on the Company's and the individual's performance
 - » Retirals : This includes contribution to the Provident Fund, Gratuity and Superannuation Fund
- (iv) Remuneration structure of Non-Executive Directors :

Non-Executive Directors are paid Sitting Fees for attending the Board/Board Committee/s Meetings in accordance with the Companies Act, 2013. They are also paid commission which is based on the profits of the Company
- (v) Succession Planning :
 - » Succession Plan ensures continuity in operation and services, in the event of exit of key members of the organisation, by supply of suitably qualified and motivated employees who can take up higher roles and responsibilities
 - » The Company is committed in creating a system of identifying, monitoring, assessing and developing a pipeline of talent. The Company shall continuously engage in the process of developing career path of employees, to recruit and retain top-performing or high talent employees; and gearing them up for the future organisational requirements
 - » If the Company is unable to fill a key position through internal promotions, the Company shall close the position by recruiting an external candidate whose experience and expertise best matches with its predecessor, in a time bound manner

(4) Nomination & Remuneration Committee Meetings :

The Nomination & Remuneration Committee met once during the Financial Year ended March 31, 2015 on July 9, 2014. The composition and attendance record of the members at the Nomination & Remuneration Committee Meeting are as follows :

Corporate Governance Report

Name of the Director	Designation	Number of Meetings Attended
Mr Banshi Mehta	Chairman	1
Mr S M Datta	Member	1
Mr Ravi Parthasarathy	Member	1

(5) Details of Remuneration :

- (a) Dr Archana Hingorani, CEO & Executive Director of the Company does not receive any remuneration or commission from the holding company or subsidiary company other than sitting fees for attending the meetings of the Board of Directors of the subsidiary companies
- (b) Details of Remuneration paid to the Whole-time Director during the Financial Year 2014-15 :

Name of the Director	Salary (₹)	Perquisites (₹)	Total (₹)
Dr Archana Hingorani	26,615,460	1,865,173	28,480,633

The salary paid to Dr Archana Hingorani is inclusive of her retirement benefits (excluding Gratuity) and includes ₹ 6,380,000/- paid as Performance Related Pay

The Remuneration paid to the Whole-time Director consists of a fixed salary and a variable bonus depending on the individual's and the Company's performance. The annual increments and variable bonus are decided by the Nomination & Remuneration Committee

During the Financial Year 2014-2015, the Company did not grant any stock options

(6) Details of payment made to the Non-Executive Directors :

- (a) The Company does not pay any remuneration to the Non-Executive Directors of the Company except commission and sitting fees for attending the Board Meetings and the Committee Meetings of the Company. The Non-Executive Directors are also granted Stock Options based on their tenure and their contribution to the Company
- (b) During the Financial Year 2014-2015, the Non-Executive Directors were paid sitting fees of ₹ 20,000/- each for attending the Board Meetings and all Committee Meetings except ₹ 2,000/- each for attending the Stakeholders Relationship Committee Meetings
- (c) Details of Commission for the Financial Year 2014-2015 to be paid to the Non-Executive Directors of the Company are as below :

Name of the Non-Executive Director	Commission (₹)
Mr S M Datta	20,00,000
Mr Ravi Parthasarathy	9,00,000
Mr Banshi Mehta	6,00,000
Mr Arun Saha	4,00,000
Mr Vibhav Kapoor	4,00,000
Mr Jitender Balakrishnan	4,00,000
Mr Ramesh Bawa	4,00,000
Mr Siddharth Mehta	4,00,000
Mr Shahzaad Dalal	NIL

(7) Details of Options Granted :

- (a) Details of Options granted to Non-Executive Directors during the year and shares held by them as on March 31, 2015 :
- No Options were granted by the Company during the year to Non-Executive Directors

- (b) The shareholding of the Non-Executive Directors as on March 31, 2015 :

Name of the Director	No. of Shares
Mr S M Datta	4,750,000
Mr Ravi Parthasarathy	1,350,000
Mr Bansi Mehta	3,493,750
Mr Arun Saha	290,000
Mr Vibhav Kapoor	343,750
Mr Shahzaad Dalal	2,792

(E) STAKEHOLDERS RELATIONSHIP COMMITTEE

- (1) The Board at its meeting held on May 5, 2014 renamed the Shareholders' / Investors' Grievance Committee as the Stakeholders Relationship Committee. The Committee oversees the following functions :
- (a) Issuance of duplicate certificates and rematerialisation of shares
 - (b) Redressing grievances received from the investors
 - (c) Allotment of shares upon exercise of options under Employee Stock Option Schemes
 - (d) Such other matters as the Board may from time to time request the Committee to examine, recommend and approve

- (2) Composition :

The Stakeholders Relationship Committee presently comprises of one Non-Executive Independent Director and one Non-Executive Director. The Committee met eight times during the Financial Year ended March 31, 2015. The composition and attendance record of the members at the Stakeholders Relationship Committee Meetings are as follows :

Name of the Director	Designation	Number of Meetings Attended
Mr Vibhav Kapoor	Chairman	8
Mr S M Datta	Member	8

- (3) Mr Sanjay Mitra, Company Secretary, has been designated as the Compliance Officer
- (4) During the Financial Year 2014-15, the Company received 118 complaints from members. There were no complaints pending at the end of the year
- (5) The Board at its meeting held on May 1, 2007 approved the constitution of a Share Transfer Committee consisting of officers of the Company as its members for approving transfer, transmission and transposition of shares and deletion of name in the Register of Members. The Committee presently comprises of Mr Manoj Borkar (Chairman) and Mr Sanjay Mitra (Member)

The attendance at the meetings held during the year are given below :

Name of the Member	Number of Meetings held	Number of Meetings Attended
Mr Manoj Borkar, Chairman	32	32
Mr Sanjay Mitra	32	32

Corporate Governance Report

(F) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

- (1) The Company has constituted a Corporate Social Responsibility Committee on May 5, 2014 pursuant to the provisions of the Companies Act, 2013. The Committee has been constituted to :
 - (a) Formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Company, as laid down in Schedule VII to the Act
 - (b) Recommend the amount of expenditure to be incurred on the CSR activities
 - (c) Institute a transparent monitoring mechanism for implementation of the CSR activities undertaken by the Company
- (2) Composition :

The composition and attendance record of the members of the Corporate Social Responsibility Committee are as follows :

Name of the Member	Number of Meetings held	Number of Meetings Attended
Mr S M Datta - Chairman	2	2
Mr Banshi Mehta	2	2
Mr Arun Saha	2	2

(G) WHISTLE BLOWER POLICY

The Whistle Blower Policy aims to provide an avenue for employees and directors of the Company to raise serious and sensitive concerns that could have an adverse impact on the operations and performance of the Company. The Audit Committee is entrusted with implementing and monitoring the Vigil mechanism of the Company. The Whistle Blower policy details the procedure for inquiry and investigation of complaints, provides for adequate safeguard for protection of the whistle blower against adverse personal action and calls for disciplinary action against those who abuse the policy. The Policy is posted on the website of the Company at <http://www.iimlindia.com/Policies.aspx>

(H) SUBSIDIARY COMPANY

During the year ended 31st March, 2015, the Company did not have any material listed/unlisted Indian subsidiary companies as defined under the Clause 49 of the Listing Agreement. The Company has adopted a policy on Material Subsidiaries and the same is available on the Company's website at <http://www.iimlindia.com/Policies.aspx>

(I) GENERAL BODY MEETINGS

- (1) The details of the last three Annual General Meetings are as follows :

Date	Time	Location/Venue	Special Resolutions passed
August 7, 2014	3.30 p.m.	Rangaswar Hall, Y.B. Chavan Centre	(1) Appointment of Mr S M Datta, Mr Banshi Mehta, Mr Jitender Balakrishnan and Mr Siddharth Mehta as an Independent Director for a term of 5 years (2) Re-appointment of Mr S M Datta as the Non-Executive Chairman for a term of 5 years
July 22, 2013	12 noon	Indian Merchants' Chamber, Mumbai	No Special Resolution was passed
July 24, 2012	4.00 p.m.	Indian Merchants' Chamber, Mumbai	(1) Re-appointment of Mr S M Datta as the Non-Executive Chairman of the Company for a period of 5 years with effect from April 1, 2012 (2) Payment of Commission to Non-Executive Directors of the Company for a period of 5 years with effect from April 1, 2012

(2) Special Resolutions passed through Postal Ballot :

- (a) None of the resolutions approved at the last Annual General Meeting required postal ballot approval
- (b) During the year the Company passed a Special resolution through postal ballot for making investments, loans and providing guarantees upto an amount of ₹ 2 billion
- (c) Details of the aforesaid special resolution passed through postal ballot are as under :
 - (i) Person who conducted the postal ballot exercise :

The Board appointed Mr Jagdish Patel of M/s Jagdish Patel & Co., Practicing Company Secretaries, as Scrutinizer to conduct the postal ballot voting process. Mr Jagdish Patel conducted the process and submitted his report
 - (ii) Procedure followed :
 - » The Postal Ballot Notice and accompanying documents were dispatched to the members under certificate of posting
 - » A calendar of events along with the Board Resolution was submitted to the Registrar of Companies, Mumbai, Maharashtra
- (d) Details of the voting pattern :

After scrutinizing all the ballot forms received, the Scrutinizer reported that the members representing average 99.77% of the total voting strength voted in favour of the resolutions, based on which the results were declared and the resolutions were carried out with overwhelming majority

(J) DISCLOSURES

- (1) The Management Discussion & Analysis forms part of this Annual Report
- (2) During the year under review, there were no materially significant related party transactions of the Company
- (3) The Company has adopted a Policy on dealing with related party transactions and the said policy is available on the website of the Company at the link <http://www.iimlindia.com/Policies.aspx>
- (4) None of the Directors of the Company are related to each other except the Directors nominated by Infrastructure Leasing & Financial Services Limited
- (5) No penalties and/or strictures were imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to the capital markets during the last three years
- (6) The Company has followed all relevant Accounting Standards while preparing Financial Statements
- (7) There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which have potential conflict with the interests of the Company at large
- (8) The Chief Executive Officer and the Chief Financial Officer of the Company have furnished the requisite certificate to the Board of Directors under Clause 49 (VIII) of the Listing Agreement
- (9) The Company does not send any half-yearly report to the members of the Company
- (10) The Company has in place a mechanism to inform the Board members about the Risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management

(K) MEANS OF COMMUNICATION

The Company publishes its quarterly and annual consolidated results in prominent daily newspapers viz. Economic Times, DNA Mumbai and Maharashtra Times. The standalone and consolidated results are also made available on the website of the Company at www.iimlindia.com

Corporate Governance Report

The Company's website contains a separate section 'Shareholders' which provides the information on Financials, Annual Reports, Shareholding Pattern, Code of Conduct, Presentations made to analysts, Press Releases, Analyst Calls, Policies adopted by the Company, etc.

(L) GENERAL MEMBERS' INFORMATION

Annual General Meeting Day, Date and Time	: Thursday, August 11, 2015 at 3.00 p.m.
Annual General Meeting Venue	: Rangaswar Hall, Y B Chavan Centre, General Jagannathrao Bhosale Marg, Opposite Mantralaya, Mumbai 400 021
Financial Year	: The Company follows April-March as its Financial Year
Book Closure	: August 7, 2015 to August 11, 2015 (both days inclusive)
Dividend Payment	: The dividend, if declared, by the members at the AGM shall be paid/credited on or after August 11, 2015
Listing on Stock Exchanges	: The Company has already paid the annual listing fees for the Financial Year 2015-16 to the Stock Exchanges (BSE and NSE) as well as custodian fees to the depositories within the prescribed time
Security Identification Number (ISIN)	: INE050B01023
Scrp Code/Symbol	: BSE : 511208, NSE : IVC
Corporate Identification Number (CIN)	: L65999MH1986PLC147981
Board Meeting to be held for approving financial statements for the quarter ending	:
June 30, 2015	On or before August 15, 2015
September 30, 2015	On or before November 15, 2015
December 31, 2015	On or before February 15, 2016
March 31, 2016	On or before May 30, 2016

The monthly high and low quotations of shares traded on the BSE Limited and National Stock Exchange of India Limited along with the volumes is as follows :

Month	BSE Limited			National Stock Exchange of India Limited		
	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)	No. of Shares
April 2014	15.00	12.12	2,742,800	14.85	12.00	9,614,542
May 2014	24.00	13.50	7,988,537	24.40	13.35	20,290,004
June 2014	28.80	21.60	8,110,239	28.70	22.05	22,305,998
July 2014	27.60	23.50	3,707,323	27.60	23.20	10,752,891
August 2014	25.55	19.45	1,496,049	25.50	19.30	4,998,070
September 2014	25.85	20.10	2,769,819	25.70	20.20	6,229,460
October 2014	21.55	19.80	1,022,547	23.20	19.70	3,153,020
November 2014	22.15	19.00	1,279,582	20.95	19.05	3,777,805
December 2014	21.10	17.80	878,682	21.10	17.80	4,196,672
January 2015	19.40	16.70	1,485,354	19.30	16.70	5,317,068
February 2015	20.45	16.20	2,775,826	20.60	16.70	7,636,053
March 2015	20.90	17.25	2,219,063	20.80	17.10	4,500,599

Corporate Governance Report

(N) Share Transfer System :

The Registrar and Share Transfer Agent (RTA) of the Company receives applications for transfer of shares held in physical form. They attend to share transfer formalities every week

Shares held in the dematerialized form are electronically transferred on the Depositories. The RTA of the Company periodically receives the beneficiary holdings from the Depositories which enables the RTA to update their records for sending all corporate communications, dividend warrants, etc.

Physical shares received for dematerialization are processed within a period of 21 days from the date of receipt, provided they are in order in every respect

(O) Category wise Shareholding as at March 31, 2015 :

Sr. No.	Category	No. of Shares held	%
1.	Promoter	158,333,152	50.42
2.	Mutual Funds/Banks/Financial Institutions	11,479,685	3.66
3.	Foreign Institutional Investors	754,470	0.24
4.	Non-Residents Individuals	6,988,364	2.22
5.	Companies	20,250,562	6.45
6.	Resident Individuals	115,327,795	36.72
7.	Others	898,712	0.29
	Total	314,032,740	100.00

(P) Distribution Of Shareholding as at March 31, 2015 :

No. of Equity Shares	No. of Members	% of Total	No. of Shares	% of Total
1 - 1000	18659	59.3159	8,547,966	2.7220
1001 - 2000	5748	18.2726	8,984,133	2.8609
2001 - 3000	2679	8.5164	6,536,433	2.0814
3001 - 4000	887	2.8197	3,130,262	0.9968
4001 - 5000	741	2.3556	3,396,168	1.0815
5001 - 10000	1343	4.2693	9,784,228	3.1157
10001 - above	1400	4.4505	273,653,550	87.1417
Total	31457	100	314,032,740	100

(Q) Dematerialisation Of Shares And Liquidity :

96.70% of the shares have been dematerialized as on March 31, 2015

(R) Disclosure under Clause 5A(II) of the Listing Agreement in respect of Unclaimed Shares :

The Securities and Exchange Board of India had amended Clause 5A of the Equity Listing Agreement regarding unclaimed shares held in physical form. In compliance with the said amendment, and in order to avoid transfer of unclaimed shares to the "Unclaimed Suspense Account", the Company had sent Reminder Letters to such members whose share certificates have remained undelivered and hence unclaimed, requesting them to update their correct details viz. postal addresses, PAN details etc. registered with the Company

The Company has also initiated the process of transferring the Unclaimed Shares to the Unclaimed Suspense Account

Corporate Governance Report

Pursuant to Clause 5A, the details of the unclaimed shares are as follows :

As on April 1, 2014		Members who approached the Registrars and Shares were transferred to them during the year		Balance as on March 31, 2015	
No. of Members	No. of Shares	No. of Members	No. of Shares	No. of Members	No. of Shares
1676	1,633,685	22	24,740	1654	1,608,945

(S) REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited
(Formerly Intime Spectrum Registry Limited)
C-13, Pannalal Silk Mills Compound
LBS Marg, Bhandup (West)
Mumbai 400 078
Tel. No. : 2594 6970
Fax No. : 2594 6969

Address for Correspondence :

For any assistance regarding dematerialisation of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares :

Link Intime India Private Limited
(Formerly Intime Spectrum Registry Limited)
C-13, Pannalal Silk Mills Compound
LBS Marg, Bhandup (West)
Mumbai 400 078
Tel. No. : 2594 6970
Fax No. : 2594 6969

For general correspondence :

The IL&FS Financial Centre, Plot No. C-22,
G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051
Tel. No. : 2659 3531
Fax No. : 2653 3056
Email : investor.relations@ilfsindia.com

CODE OF CONDUCT CERTIFICATE

I, Archana Hingorani, Chief Executive Officer & Executive Director of the Company, hereby declare that the Board of Directors have laid down a Code of Conduct for the Board Members and Senior Management of the Company and the Board Members and Senior Management have affirmed compliance with the said Code of Conduct

For IL&FS Investment Managers Limited

Archana Hingorani
Chief Executive Officer & Executive Director

Place : Mumbai
Date : May 5, 2015

AUDITORS' CERTIFICATE

AUDITOR'S CERTIFICATE TO THE MEMBERS OF IL&FS INVESTMENT MANAGERS LIMITED

We have examined the compliance of conditions of Corporate Governance by **IL&FS INVESTMENT MANAGERS LIMITED** ("the Company") for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreements of the Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

Kalpesh J. Mehta
Partner
(Membership No. 48791)

Mumbai, May 5, 2015

TO THE MEMBERS OF

IL&FS INVESTMENT MANAGERS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **IL&FS INVESTMENT MANAGERS LIMITED** ('the Company'), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the Directors as on March 31, 2015, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2015 from being appointed as a Director in terms of Section 164 (2) of the Act.
 - (f) 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, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 16 to the financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Kalpesh J. Mehta
Partner
(Membership No. 48791)

Mumbai, May 05, 2015

Annexure to Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (1) Having regard to the nature of the Company's business/activities/results during the year, clauses (ii), (vi) and (xi) of paragraph 3 of the Order are not applicable to the Company.
- (2) In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (3) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Act. In respect of such loans:
 - (a) The receipts of principal amounts and interest have been regular.
 - (b) There are no overdue amounts in excess of ₹ 100,000 remaining outstanding as at March 31, 2015.
- (4) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (5) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- (6) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including provident fund, income tax, service tax, value added tax and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of provident fund, income tax, service tax, value added tax and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
 - (c) Details of dues of income tax which have not been deposited as at March 31, 2015 on account of disputes are given below:

Name of statute	Nature of the dues	Forum where the dispute is pending	Period to which the amount relates	Amount (₹) Involved
Income Tax Act, 1961	Income tax in demand	Appeals under process to CIT(A)	AY 2009-10	38,693
Income Tax Act, 1961	Income tax in demand	Appeals under process to CIT(A)	AY 2010-11	799,800
 - (d) The Company has generally been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time.
- (7) The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

- (8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions and banks. The Company has not issued any debentures.
- (9) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks and financial institutions.
- (10) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Kalpesh J. Mehta
Partner
(Membership No. 48791)

Place : Mumbai
Date : May 5, 2015

Balance Sheet As At 31st March, 2015

(Amount in ₹)

Particulars	Note No.	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2014
EQUITY AND LIABILITIES					
Shareholder's Funds					
Share Capital	2	628,085,480		627,204,230	
Reserves and Surplus	3	519,366,044	1,147,451,524	404,879,581	1,032,083,811
Non-Current Liabilities					
Long term provisions	4		21,156,474		16,875,896
Current Liabilities					
Trade payables		68,255,354		103,013,920	
Other current liabilities	5	35,857,889		26,915,760	
Short-term provisions	6	486,720,993	590,834,236	514,093,285	644,022,965
Total			1,759,442,234		1,692,982,672
ASSETS					
Non-current assets					
Fixed assets (net)	7				
Tangible assets		6,964,395		6,406,826	
Intangible assets		318,835		668,860	
Non-current investments	8	414,069,726		424,837,260	
Deferred tax assets (net)	9	15,319,000		15,128,000	
Long term loans and advances	10	53,231,370	489,903,326	51,592,610	498,633,556
Current assets					
Current investments	11	897,331,536		264,949,557	
Trade receivables	12	215,556,143		600,093,105	
Cash and Cash Equivalents	13	65,644,388		70,485,878	
Short-term loans and advances	14	83,554,043		237,946,940	
Other current assets	15	7,452,798	1,269,538,908	20,873,636	1,194,349,116
Total			1,759,442,234		1,692,982,672
The accompanying Notes are an integral part of the Financial Statements					

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kalpesh J. Mehta
Partner

For and on behalf of the Board

S M Datta
Chairman

Archana Hingorani
Chief Executive Officer &
Executive Director

Manoj Borkar
Chief Financial Officer

Sanjay Mitra
Company Secretary

Place : Mumbai
Date : May 5, 2015

Statement of Profit and Loss For The Year Ended 31st March, 2015

(Amount in ₹)

Particulars	Note No.	For the Year Ended March 31, 2015	For the Year Ended March 31, 2014
Revenue :			
Revenue from Operations	17	804,485,068	942,992,154
Other Operating Income	18	234,663,296	169,779,057
Other Income	19	115,481,052	98,374,468
Total Revenue		1,154,629,416	1,211,145,679
Expenses :			
Employee benefit expense	20	239,558,005	288,078,343
Depreciation and amortisation expense	7	6,006,945	4,509,672
Other Administrative and Operating Expenses	21	147,389,156	154,998,670
Total Expenses		392,954,106	447,586,685
Profit before tax		761,675,310	763,558,994
Tax expense :			
- Current tax		192,500,000	222,730,000
- Short provision for tax relating to prior years		10,450,000	-
- Deferred tax	9	(191,000)	3,210,000
Profit for the year		558,916,310	537,618,994
Earnings per equity share: (Equity shares of Face value ₹ 2/- each)	22		
- Basic		1.78	1.71
- Diluted		1.78	1.71
The accompanying Notes are an integral part of the Financial Statements			

In terms of our report attached

For and on behalf of the Board

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kalpesh J. Mehta
Partner

S M Datta
Chairman

Archana Hingorani
Chief Executive Officer &
Executive Director

Manoj Borkar
Chief Financial Officer

Sanjay Mitra
Company Secretary

Place : Mumbai
Date : May 5, 2015

Cash Flow Statement For The Year Ended 31st March, 2015

(Amount in ₹)

			For the Year Ended March 31, 2015	For the Year Ended March 31, 2014
(A)	CASH FLOW FROM OPERATING ACTIVITIES			
	PROFIT BEFORE TAX		761,675,310	763,558,994
	Adjustments for :			
	Depreciation		6,006,945	4,509,672
	Net Unrealised Exchange Loss/(Gain)		5,994,157	(8,078,104)
	Provision for Employee Benefits (Net)		(497,391)	(10,248,667)
	Net Profit on Sale of Investments		(9,206,784)	(6,302,515)
	Interest Income		(13,008,873)	(26,616,429)
	Dividend Income		(21,748,692)	(11,636,796)
	Profit on sale of Fixed Assets (Net)		(220,932)	(48,466)
	Operating Profit before working capital changes		728,993,740	705,137,689
	Changes in working capital :			
	Adjustments for (Increase)/Decrease in operating assets:			
	Trade Receivables		384,536,962	(224,269,114)
	Short Term Loans and Advances		7,632,895	(149,572,384)
	Long Term Loans and Advances		374,943	136,959,391
	Other Current Assets		7,426,681	68,707,597
	Adjustments for Increase/(Decrease) in operating liabilities:			
	Trade Payables		(34,758,566)	20,095,926
	Other Current Liabilities		8,942,129	374,870
	Other Non-current Liabilities		(2,960,504)	-
	Cash Flow after Working Capital Changes		1,100,188,280	557,433,975
	Payment of Taxes (Net)		(221,619,993)	(206,862,579)
	NET CASH GENERATED FROM OPERATING ACTIVITIES	A	878,568,287	350,571,396
(B)	CASH FLOW FROM INVESTING ACTIVITIES			
	Investment in Subsidiaries		-	(49,575,000)
	Purchase of Non-current Investments - Others		(3,000,000)	(241,347,750)
	Proceeds from sale of Non-current Investments- Others		22,794,932	8,908,235
	(Increase)/Decrease in Current Investments (Net)		(632,202,593)	102,019,183
	Dividend Income on Current Investments		21,748,692	11,636,796
	Inter Corporate Deposits/Loans Given		(43,239,998)	(330,000,000)
	Inter Corporate Deposits/Loans Refunded		190,000,000	484,575,000
	Interest Income		13,008,873	26,616,429
	Capital Expenditure on Fixed Assets		(6,968,588)	(4,693,023)
	Proceeds from Sale of Fixed Assets		690,281	212,847
	Bank Balance not considered as cash and cash equivalent:			
	Fixed Deposits Placed		(470,000,000)	(20,000,000)
	Fixed Deposits Matured		460,000,000	40,000,000
	NET CASH USED IN/GENERATED FROM INVESTING ACTIVITIES	B	(447,168,401)	28,352,717

Cash Flow Statement For The Year Ended 31st March, 2015

(Amount in ₹)

			For the Year Ended March 31, 2015	For the Year Ended March 31, 2014
(C)	CASH FLOW FROM FINANCING ACTIVITIES			
	Proceeds from issuance of Share Capital at premium		5,640,000	2,562,000
	Dividend on Equity Shares		(407,669,750)	(313,355,865)
	Payment of Dividend Distribution tax		(47,172,130)	(46,363,633)
	NET CASH USED IN FINANCING ACTIVITIES	C	(449,201,880)	(357,157,498)
(D)	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C)	(17,801,994)	21,766,615
	Cash and Cash Equivalent at the beginning of the year as per Balance Sheet (refer note 13)		36,066,896	14,300,281
	Cash and Cash Equivalent at the end of the year (refer note 13)		18,264,902	36,066,896
	Reconciliation of Cash and cash equivalents with the Balance Sheet :			
	Cash and cash equivalents as per Balance Sheet (Refer Note 13)		65,644,388	70,485,878
	Less: Bank balances not considered as Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) :			
	(i) In other deposit accounts			
	- original maturity more than 3 months			
			(20,000,000)	(10,000,000)
	(ii) In earmarked accounts (Refer Note (i) below)			
	- Unpaid dividend accounts		(27,379,486)	(24,418,982)
	Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 13 *		18,264,902	36,066,896
	* Comprises			
	(a) Cash on hand		50,404	91,976
	(b) Cheques, drafts on hand		-	-
	(C) Balances with banks			
	(i) In current and fixed deposit accounts		18,214,498	34,592,242
	(ii) In EEFC accounts		-	1,382,678
			18,264,902	36,066,896

Notes :

- (i) These earmarked account balances with banks can be utilised only for the specific identified purposes
- (ii) The accompanying Notes are an integral part of the Financial Statements

In terms of our report attached

For and on behalf of the Board

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kalpesh J. Mehta
Partner

S M Datta
Chairman

Archana Hingorani
Chief Executive Officer &
Executive Director

Manoj Borkar
Chief Financial Officer

Sanjay Mitra
Company Secretary

Place : Mumbai
Date : May 5, 2015

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

Corporate Information

IL&FS Investment Managers Limited (IIML) is incorporated in India as a public limited company under the provisions of the Companies Act, 1956. IIML is one of India's largest domestic private equity fund management companies with over US\$ 3.2 billion under management on behalf of leading Indian and International Institutions

(1) Significant Accounting Policies

(a) Basis of accounting and preparation of Financial Statements

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the CA 2013 Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act 2013/Companies Act 1956, as applicable. The Financial Statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in previous year

(b) Use of Estimates

The preparation of Financial Statements in conformity with Indian GAAP requires the Management to make certain estimates and assumptions considered in the reported amounts of Assets and Liabilities (including Contingent Liabilities) as on the date of the Financial Statements and the reported Income and Expenses during the reporting period. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Actual results could differ from these estimates. Any changes in such estimates are recognised prospectively

(c) Fixed Assets (Tangible and Intangible) and Depreciation/Amortisation

Fixed Assets are carried at cost less accumulated depreciation/amortisation & impairment losses if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes and any directly attributable expenditure on making the asset ready for its intended use

Depreciation on fixed asset is provided pro-rata from the date on which asset is ready to be put to use for its intended purpose on Straight-Line Method based on the estimated useful life of the assets, which are as follows :

Category of Asset	Estimated Useful Life (in years)
Tangible Fixed Assets :	
Furniture and Fixtures	5
Data Processing Equipments	3
Data Processing Equipments (Servers & Networking)	4
Office Equipments	4
Vehicles	4
Lease hold improvement	Over the lease period
Asset given to employees	3
Intangible Fixed Assets :	
Computer Software	3
Business Know-how, management and advisory contracts	Over the lease period

As per CA 2013, depreciation of fixed assets has to be provided based on estimated useful life as per Schedule II of the CA 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 and Ipad/Tablets 100% depreciated during the year of capitilisation due to extensive usage and technological obsolescence
- (ii) Vehicles as per the current policy of 4 years as against the useful life of 8 years provided in the CA 2013
- (iii) Furniture and Fixtures as per current policy of 5 years as against the useful life of 10 years provided in the CA 2013
- (iv) Office Equipment as per current policy of 4 years as against the useful life of 5 years provided in the CA 2013
- (v) Data Processing Equipment - Servers & Networking as per current policy of 4 years as against the useful life of 6 years provided in the CA 2013
- (vi) Assets provided to Employees as perquisites would be depreciated over a period of 3 years in line with the rules set in the Employee Hand Book (EHB).
- (vii) Individual assets costing ₹ 5,000 or less in the year of capitilisation shall be depreciated 100% for all the categories of assets

Residual value of all assets is retained at ₹ 1

Assets whose useful life has been completed As at March 31, 2014 are fully depreciated and such depreciation is routed through the Reserves & Surplus Account. All other assets outstanding in the books As at March 31, 2014 are depreciated over the balance useful life

(d) Impairment of Assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, 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 recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets

(e) Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating lease. Lease rental expenses in respect of operating leases is equated over the lease period

(f) Investments

- (i) Investments are recognised at actual cost including costs incidental to acquisition such as brokerage fees and duties
- (ii) Investments are classified as non-current or current at the time of acquisition of such investments
- (iii) Non current investments are individually valued at cost less provision for diminution, other than temporary
- (iv) Current investments are valued at lower of cost or fair value, computed scrip-wise

(g) Foreign Currency Transactions and Translations

(i) Initial recognition

Foreign currency transactions are recorded at the rate prevailing on the date of transaction. Foreign currency monetary items outstanding as at the Balance Sheet date are restated at the closing rate

Net investment in non-integral foreign operations is accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction

(ii) Measurement at the balance sheet date

Non-Monetary items which are carried in terms of historical cost denominated in foreign currency at the Balance Sheet date are reported using the exchange rate at the date of the transaction

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

(iii) Treatment of exchange differences

Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss

(h) Forward Contract Transactions

The Company enters into forward contracts to hedge its assets and liabilities

The premium or discount arising at the inception of a Forward Contract is amortised as income or expense over the life of such Contract

At the reporting date, Forward contracts are revalued and gains/losses if any, are recognised in the Statement of Profit and Loss

Any profit or loss arising on cancellation or renewal of such a forward contract is recognised as income or expense in the period in which such cancellation or renewal is made

(i) Revenue Recognition

(i) Management fee income on Private Equity Funds (PEF) under management and advisory fee income are recognised based on contractual arrangements

(ii) Income from Investment in Units of PEF is recognised on the basis of income distributed by the respective PEFs

(iii) Dividend income is recognised once the unconditional right to receive dividend is established

(iv) Interest income on fixed deposits/inter corporate deposits is accrued proportionately based on period for which the same is placed

(j) Employee Benefits

(i) The Company's contribution to Provident Fund, Superannuation Fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees

(ii) The Company has taken Group Gratuity cum life assurance scheme with Life Insurance Corporation of India for gratuity payable to the employees. Incremental liability based on actuarial valuation as per the projected unit credit method as at the reporting date, is charged as expenses in the Statement of Profit and Loss

(iii) The leave balance is classified as short term and long term based on the leave policy. The compensated absence liability for the expected leave to be encashed has been measured on actual components eligible for leave encashment and expected leave to be availed is valued based on the total cost to the Company. The Short term and Long term leave have been valued on actuarial basis as per the projected unit credit method

(k) Placement Fees Expense

Placement Fees paid to the Arranger of PEF are recognised over period of 5 years

(l) Taxation

Tax Expense comprises of Current Tax and net changes in Deferred Tax Assets or Liability during the year. Current Tax is the amount of tax payable on taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income tax Act, 1961 and other applicable tax laws

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their reliability

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss

(m) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that the outflow of resources would be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted at their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date.

A Contingent Liability is disclosed unless the possibility of an outflow of resources embodying the economic benefits is remote. Contingent Assets are neither recognised nor disclosed in the financial statements

(n) Cash flow Statements

(i) Cash flows are reported using the indirect method, whereby profit 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. 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 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

(o) Earnings Per Share

In determining earnings per share, the Company considers the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. 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 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

(p) Service tax input credit

Service tax input credit 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/recognise the credits

(2) Share Capital

(i) Share Capital of the Company consist of the following:

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Authorised Share Capital		
325,000,000 Equity shares of ₹ 2/- each	650,000,000	650,000,000
(Previous Year 325,000,000 Equity shares of ₹ 2/- each)		
Issued, Subscribed and Fully Paid-up Capital		
314,032,740 Equity shares of ₹ 2/- each (As at March 31, 2014 : 313,592,115 Equity shares of ₹ 2/- each) with voting rights	628,065,480	627,184,230
Add : Forfeited shares	20,000	20,000
	628,085,480	627,204,230

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

- (ii) Reconciliation of the number of shares outstanding at the beginning of the year and at the end of the year

Particulars	As at March 31, 2015		As at March 31, 2014	
	No of Shares	Amount	No of Shares	Amount
At the beginning of the year	313,592,115	627,184,230	208,903,910	417,807,820
Add : Allotment made towards Bonus Issue	-	-	104,530,705	209,061,410
Ad : Allotment made towards Employee Stock Option Plan [ESOP] shares exercised	440,625	881,250	157,500	315,000
At the end of the year	314,032,740	628,065,480	313,592,115	627,184,230

- (iii) List of the shareholders holding more than 5% of the share capital As at March 31, 2015 :

Name of the Shareholder	As at March 31, 2015		As at March 31, 2014	
	No of Shares held	% of Holding	No of Shares held	% of Holding
Infrastructure Leasing & Financial Services Limited, the Holding Company	158,333,152	50.42	158,333,152	50.49

- (iv) Rights, preference and restrictions attached to equity shares :

The Company has one class of Equity Shares with face value of ₹ 2/- each. Each Share Holder has a voting rights in proportion to their holding of the paid up Equity Share Capital of the Company.

- (v) Number of equity shares allotted as fully paid up by way of bonus shares for preceding five years

Financial Year	Par Value (₹)	No of shares	Amount (₹)
2014-15	-	-	-
2013-14	2	104,530,705	209,061,410
2012-13	-	-	-
2011-12	-	-	-
2010-11	-	-	-

- (vi) Forfeited shares

During the financial year 1997-98 the Company had forfeited 10,000 equity shares of ₹ 2 each on which amount paid up was ₹ 20,000/-

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

(vii) Shares reserved for issue under Options :

» The particulars of the Options distributed under ESOP 2003, ESOP 2004 and ESOP 2006 are as follows :

Particulars	ESOP 2003	ESOP 2004	ESOP 2006
Eligibility	Directors and Employees	Directors and Employees	Directors of the Company and Subsidiary Companies and Employees of the Company
Vesting period for options granted during the year	One year from date of grant	One year from date of grant	One year to Three year from date of grant
Exercise Period	Four years beginning from date of vesting	Four years beginning from date of vesting	Four years beginning from date of vesting
Method of Settlement	Equity	Equity	Equity

» The number of Options available for grant in future are as follows:

Particulars	ESOP 2003	ESOP 2004	ESOP 2006
Options available for grant in future	37,815	130,928	1,935,000

» The number and weighted average Exercise Price of Stock Options for ESOP 2006 is as follows :

Particulars	ESOP 2006	
	No of Options	Weighted Average Exercise Price* (₹)
Authorised to be Granted	16,875,000	-
Granted and outstanding at the beginning of the year	440,625	12.80
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	440,625	12.80
Lapsed during the year	-	-
Granted and outstanding at the end of the year	-	-
Vested and Exercisable at the end of the year	-	-
Total Options outstanding at the end of the year	-	-

* Determined at the time of grant

- » The effect of subdivision of each Equity share of ₹ 10/- into Equity shares of ₹ 2/- each and issue of bonus shares is considered in calculating the number of Options
- » The Company calculates the employee compensation cost using the Intrinsic Value of the Options. The Exercise Price of the Options granted is based on the Market Price as on the date of the Grant
- » No Options were granted during the year
- » The weighted average market price at the dates of exercise for options during the year was ₹ 22.95

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

(3) Reserves & Surplus

The movement in Reserves and Surplus are as under :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Securities Premium Reserve		
Balance as per previous Balance Sheet	-	141,638,254
Add: Premium on ESOP shares issued during the year	4,758,750	2,247,000
Less : Utilised during the year for Issuing bonus shares	-	(143,885,254)
Balance at the end of the year	4,758,750	-
General Reserve		
Balance as per previous Balance Sheet	244,823,844	255,000,000
Add: Appropriation from Profit and Loss Account	57,000,000	55,000,000
Less : Utilised during the year for Issuing bonus shares	-	(65,176,156)
Balance at the end of the year	301,823,844	244,823,844
Statement of Profit and Loss		
Balance as per previous Balance Sheet	160,055,737	125,387,427
Add : Profit for the year	558,916,310	537,618,994
Add : Reversal of Excess Dividend tax	-	6,891,196
Less : Appropriation for Dividend	(408,242,562)	(407,669,750)
Less : Appropriation for Dividend tax	(40,661,285)	(47,172,130)
Less : Transferred to General Reserve	(57,000,000)	(55,000,000)
Less : Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with Nil remaining useful life (Refer Note 7)	(284,750)	-
Balance at the end of the year	212,783,450	160,055,737
	519,366,044	404,879,581

(4) Long Term Provisions

Long Term provision consists of provision for amounts due to be settled beyond twelve months after the balance sheet date :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Provision for compensated absences	21,156,474	16,875,896
	21,156,474	16,875,896

Particulars relating to Accounting Standard 15 "Employee Benefits" (Revised) is provided below:

(i) Defined Contribution Plans

The Company has recognised ₹ 10,872,091/- (Previous year – ₹ 11,475,210/-) as expense 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 and ₹ 3,833,295/- (Previous year ₹ 4,315,633/-) as Company's contribution to Superannuation Fund maintained with Life Insurance Corporation of India

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

(ii) Defined Benefits Plans :

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

(I)	Assumptions	For the year ended March 31, 2015	For the year ended March 31, 2014
	Discount Rate	7.95%	9.33%
	Rate of Return on Plan Assets	7.95%	8.70%
	Salary Escalation	6.50%	6.50%
	Attrition Rate	2%	2%
	Mortality Table	Indian Assured Lives mortality (2006–2008) ultimate	Indian Assured Lives mortality (2006–2008) ultimate
(II)	Table Showing Change in Benefit Obligation:	March 31, 2015 (₹)	March 31, 2014 (₹)
	Liability at the beginning of the year	77,355,176	70,386,735
	Interest Cost	7,217,238	5,806,906
	Current Service Cost	6,602,359	6,737,153
	Liability Transfer In	105,356	-
	Liability Transfer Out	-	-
	Benefit Paid	(7,534,269)	(1,961,538)
	Actuarial (gain)/loss on obligations	5,326,248	(3,614,080)
	Liability at the end of the year	89,072,108	77,355,176
(III)	Tables of Fair value of Plan Assets :	March 31, 2015 (₹)	March 31, 2014 (₹)
	Fair Value of Plan Assets at the beginning of the year	95,042,294	79,162,642
	Expected Return on Plan Assets	8,268,680	6,887,150
	Contributions	3,549,680	10,981,098
	Transfer from other Company	105,356	-
	Transfer to other Company	-	-
	Benefit Paid	(7,534,269)	(1,961,538)
	Actuarial gain/(loss) on Plan Assets	(195,233)	(27,058)
	Fair Value of Plan Assets at the end of the year	99,236,395	95,042,294
	Total Actuarial Gain/(Loss) to be recognised	(5,521,481)	3,587,022
(IV)	Actual Return on Plan Assets :	March 31, 2015 (₹)	March 31, 2014 (₹)
	Expected Return on Plan Assets	8,268,680	6,887,150
	Actuarial gain/(loss) on Plan Assets	(195,233)	(27,058)
	Actual Return on Plan Assets	8,073,447	6,860,092

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

		March 31, 2015 (₹)	March 31, 2014 (₹)	March 31, 2013 (₹)	March 31, 2012 (₹)	March 31, 2011 (₹)
(V)	Amount Recognised in the Balance Sheet :					
	Liability at the end of the year	89,072,108	77,355,176	70,386,735	64,355,012	47,233,591
	Fair Value of Plan Assets at the end of the year	99,236,395	95,042,294	79,162,642	68,471,354	39,070,428
	Difference	10,164,287	17,687,118	8,775,907	4,116,342	(8,163,163)
	Unrecognised Past Service Cost	-	-	-	-	-
	Amount Recognised in the Balance Sheet	10,164,287	17,687,118	8,775,907	4,116,342	(8,163,163)
(VI)	Expenses Recognised in the Statement of Profit and Loss :			For the year ended March 31, 2015 (₹)	For the year ended March 31, 2014 (₹)	
	Current Service Cost			6,602,359	6,737,153	
	Interest Cost			7,217,238	5,806,906	
	Expected Return on Plan Assets			(8,268,680)	(6,887,150)	
	Net Actuarial (Gain)/Loss To Be Recognised			5,521,481	(3,587,022)	
	Expense Recognised in Statement of Profit and Loss			11,072,398	2,069,887	
(VII)	Balance Sheet Reconciliation :			March 31, 2015 (₹)	March 31, 2014 (₹)	
	Opening Net Liability/(Asset)			(17,687,118)	(8,775,907)	
	Expense as above			11,072,398	2,069,887	
	Employers Contribution			(3,549,567)	(10,981,098)	
	Amount Recognised in Balance Sheet			(10,164,287)	(17,687,118)	
(VIII)	Description of Plan Assets					
	Insurer Managed Funds			100%	100%	
		March 31, 2015 (₹)	March 31, 2014 (₹)	March 31, 2013 (₹)	March 31, 2012 (₹)	March 31, 2011 (₹)
(IX)	Experience Adjustments :					
	Experience adjustments on plan liabilities Gain/(Loss)	4,687,717	3,955,888	2,079,803	12,962,572	(629,195)
	Experience adjustments on plan assets Gain/(Loss)	(195,233)	(27,058)	145,016	1,134,703	378,444

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

Other Details :

The employer's best estimate of the contributions expected to be paid to the plan during the next 12 month ₹ 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

(5) Other Current Liabilities :

(i) Other Current Liabilities consists of :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Unclaimed Dividend	27,379,486	24,418,982
Others :		
Statutory Liabilities	7,592,884	1,560,762
Other Payables	885,519	936,016
	35,857,889	26,915,760

(ii) Other Payables pertains to amount payable for employees Provident Fund and Professional Tax

(iii) Unclaimed Dividend of ₹ 27,379,486/- relates to the period from FY 2007-2008 to FY 2013-2014. During the year ended March 31, 2015 an amount of ₹ 1,414,260/- (Previous period: ₹ 920,601/-) has been transferred to the Investor Education and Protection Fund relating to amounts for the year ended March 31, 2007

(6) Short Term Provisions :

(a) Short Term provision consists of provision for amounts due to be settled within twelve months after the balance sheet date :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Provision for Employee Benefits		
Provision for compensated absences	4,432,286	9,210,255
Others :		
Provision for Tax (net of advance tax ₹ 517,425,140/- Previous year 922,331,150/-)	33,384,860	50,041,150
Provision for Dividend	408,242,562	407,669,750
Provision for Dividend Tax	40,661,285	47,172,130
	486,720,993	514,093,285

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

(7) Fixed Assets :

(a) Tangible and Intangible Assets

Current Year

Description of Assets	GROSS BLOCK (at Cost)				DEPRECIATION/AMORTISATION				Amount (₹)	
	As on 01.04.2014	Additions/ Adjustments	Deductions/ Adjustments	As on 31.03.2015	Up to 31.03.2014	For the Year	Deductions/ Adjustments	Transitional adjustment recorded against Surplus balance in Statement of Profit and Loss *	Up to 31.03.2015	As on 31.03.2015
Tangible Assets :										
Furniture and Fixtures	9,535,870	796,140	(1,446,083)	8,885,927	6,371,508	2,688,252	(1,154,444)	284,750	8,190,066	695,861
Vehicles	936,331	2,715,618	(429,404)	3,222,545	583,087	400,660	(251,760)	-	731,987	2,490,558
Office Equipments	4,474,664	947,293	(703,330)	4,718,627	3,733,528	1,227,613	(703,295)	-	4,257,846	460,781
Data Processing Equipments	6,700,830	2,509,537	(1,559,691)	7,650,676	4,552,755	1,340,395	(1,559,660)	-	4,333,490	3,317,186
Lease Improvements	7,952,435	-	-	7,952,435	7,952,426	-	-	-	7,952,426	9
Total (A)	29,600,130	6,968,588	(4,138,508)	32,430,210	23,193,304	5,656,920	(3,669,159)	284,750	25,465,815	6,964,395
Intangible Assets (Other than internally generated) :										
Computer Software	6,183,397	-	-	6,183,397	5,514,537	350,025	-	-	5,864,562	318,835
Business Know-how, Management and Advisory Contracts	113,099,511	-	(113,099,511)	-	113,099,511	-	(113,099,511)	-	-	-
Total (B)	119,282,908	-	(113,099,511)	6,183,397	118,614,048	350,025	(113,099,511)	-	5,864,562	318,835
Total (A+B)	148,883,038	6,968,588	(117,238,019)	38,613,607	141,807,352	6,006,945	(116,768,670)	284,750	31,330,377	7,283,230

Note no 1 : ₹ 284,750/- depreciation on assets whose useful life is completed on March 31, 2014, routed through Reserves and Surplus in terms of transitional provisions of the Schedule II of the CA 2013

Note no 2 : Business Know-how, Management and Advisory Contracts represent the amount capitalised in FY 2002 – 03 towards acquisition of management contracts for funds. This has been amortised over a period of 5 years. Since the life of the fund has expired, the amount of asset disclosed in Fixed assets schedule has been written back against the provision for depreciation in the books

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

(7) Fixed Assets :

Previous Year

	GROSS BLOCK (at Cost)			DEPRECIATION/AMORTISATION				NET BLOCK	
Description of Assets	As on 01.04.2013	Additions/ Adjustments	Deductions/ Adjustments	As on 31.03.2014	Up to 31.03.2013	For the Year	Deductions/ Adjustments	Up to 31.03.2014	As on 31.03.2014
Tangible Assets :									
Furniture and Fixtures	9,616,714	1,087,197	(1,168,041)	9,535,870	5,852,277	1,526,992	(1,007,761)	6,371,508	3,164,362
Vehicles	936,331	-	-	936,331	349,005	234,082	-	583,087	353,244
Office Equipments	2,919,377	1,768,226	(212,939)	4,474,664	2,780,484	1,165,966	(212,922)	3,733,528	741,136
Data Processing Equipments	6,056,119	1,631,089	(986,378)	6,700,830	4,385,664	1,149,385	(982,294)	4,552,755	2,148,075
Lease Improvements	7,952,435		-	7,952,435	7,899,530	52,896	-	7,952,426	9
Total (A)	27,480,976	4,486,512	(2,367,358)	29,600,130	21,266,960	4,129,321	(2,202,977)	23,193,304	6,406,826
Intangible Assets (Other than internally generated) :									
Computer Software	5,134,186	1,049,211	-	6,183,397	5,134,186	380,351	-	5,514,537	668,860
Business Know-how, Management and Advisory Contracts	113,099,511	-	-	113,099,511	113,099,511	-	-	113,099,511	-
Total (B)	118,233,697	1,049,211	-	119,282,908	118,233,697	380,351	-	118,614,048	668,860
Total (A+B)	145,714,673	5,535,723	(2,367,358)	148,883,038	139,500,657	4,509,672	(2,202,977)	141,807,352	7,075,686

Amount (₹)

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

(8) Non Current Investments

Non Current investment consists of :

	Particulars	Face Value (₹)	Quantity As at March 31, 2015	Cost As at March 31, 2015 (₹)	Quantity As at March 31, 2014	Cost As at March 31, 2014 (₹)
(A)	Trade Investments					
I	Investment in Equity Instruments (Unquoted)(Fully Paid – up)					
(i)	Investment in subsidiaries					
	IL&FS Asian Infrastructure Managers Limited	10	2,341,837	23,418,370	2,341,837	23,418,370
	IL&FS Urban Infrastructure Managers Limited	10	1,000,000	10,000,000	1,000,000	10,000,000
	IL&FS Investment Advisors LLC	USD 1	57,000	855,190	57,000	855,190
	IIML Asset Advisors Limited (Class A equity shares)	100	224,762	41,464,117	224,762	41,464,117
	IIML Asset Advisors Limited (Class B equity shares)	100	215,948	8,400,000	215,948	8,400,000
	IIML Advisors LLC	USD 1	1	45	1	45
	IIML Fund Managers (Singapore) Pte Limited	USD 10	145,000	84,707,823	145,000	84,707,823
				168,845,545		168,845,545
(ii)	Investment in Joint Venture (Fully Paid–up)					
	IL&FS Milestone Realty Advisors Private Limited	10	400,000	800,000	400,000	800,000
	Standard Chartered IL&FS Management (Singapore) Pte Limited	USD 1	50,000	2,218,500	50,000	2,218,500
				3,018,500		3,018,500
(iii)	Investment in Others					
	Avantika Gas Ltd	10	8,250	82,500	8,250	82,500
	Total Investment in Equity Instruments			171,946,645		122,371,545
II	Investment in Unquoted Redeemable Participating Shares (Fully Paid–up)					
	- Investment in subsidiaries					
	IL&FS Investment Advisors LLC	USD 0.01	1,00,000	45,010	100,000	45,010
	IIML Advisors LLC	USD 0.01	24,999,900	12,599,953	24,999,900	12,599,953
	Total Investment in Participating shares			12,644,963		12,644,963

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

	Particulars	Face Value (₹)	Quantity As at March 31, 2015	Cost As at March 31, 2015 (₹)	Quantity As at March 31, 2014	Cost As at March 31, 2014 (₹)
III	Investment in Units of Venture Fund (Unquoted)(Fully Paid-up)					
	Leverage India Fund	1,000	100	100,000	100	100,000
	Infrastructure Leasing & Financial Services Realty Fund -Class C Units	100	500	50,000	500	50,000
	Infrastructure Leasing & Financial Services Realty Fund - Class A Units	100,000	803.36	80,336,063	860	86,002,037
	IFIN Realty Trust –Class C Units	10,000	10	100,000	10	100,000
	IFIN Realty Trust – Class A Units	1,000,000	69.97	69,972,700	74.27	74,266,100
	TARA India Fund III Trust – Class C Units	10,000	50	500,000	50	500,000
	TARA India Fund III Trust - Class A Units	1,000,000	71.72	71,718,046	75.53	75,526,206
	TARA India Fund III Trust - Class D Units	1,000,000	3.10	3,101,409	3.10	3,101,409
	TARA India Fund III Domestic Trust	1,000	500	500,000	500	500,000
	Urjankur Nidhi Trust	100	1,000	100,000	1,000	100,000
	Tara India Fund IV Trust- Class A units	1,000,000	3	3,000,000	-	-
	Total Investment in Units of Venture Fund			229,478,218	-	240,245,752
	Total Investments (I+II+III)			414,069,726		424,837,260
	Aggregate book value of unquoted investments			414,069,726		424,837,260

(9) Deferred Tax :

Deferred Tax provision has been made in accordance with the requirements under the Accounting Standard - 22 "Accounting for Taxes on Income"

- During the current year ended March 31, 2015 the timing difference has resulted in a net deferred tax liability of ₹ 191,000/-
- The net deferred tax asset recognised in the accounts as of March 31, 2015 are as follows :

Nature of Timing Differences	March 31, 2014 Asset/(Liability) (₹)	Adjusted/Added during the year (₹)	March 31, 2015 Asset/(Liability) (₹)
Net Depreciation	6,335,000	203,000	6,538,000
Retirement Benefits	8,793,000	(12,000)	8,781,000
Total	15,128,000	191,000	15,319,000
Previous year	18,338,000	(3,210,000)	15,128,000

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

(10) Long term Loans and advances :

Long Term Loans and advances consist of amounts expected to be realised beyond twelve months of the Balance Sheet date :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Secured, considered good :		
Staff Loan	1,040,897	337,350
Unsecured, considered good :		
Advance Tax net of provision of ₹ 999,685,000/- Previous year ₹ 623,605,000/-)	44,261,881	42,248,178
Security Deposits	63,960	48,000
Prepaid Expenses	7,864,632	8,959,082
	53,231,370	51,592,610

(11) Current Investments :

The details of Current Investments are provided below :

Particulars	As at March 31, 2015 (₹)			As at March 31, 2014 (₹)		
Unquoted (lower of cost or fair value)						
Investment in Mutual Funds	Units	Face Value	Amount	Units	Face Value	Amount
ICICI Prudential Flexible Income Plan – Daily Dividend	–	–	–	189,415	100	20,027,919
ICICI Prudential Saving Fund -Regular Plan – Daily Dividend	–	–	–	199,794	100	20,025,817
ICICI Prudential Liquid –Regular Plan – Daily Dividend	558,659	10	55,901,381	–	–	–
ICICI Prudential Money Market Fund – Regular Plan – Daily Dividend	504,745	100	50,539,918	–	–	–
Baroda Pioneer Liquid Fund Plan A-Daily Dividend Plan	50,490	1,000	50,546,224	–	–	–
Templeton India Ultra Short Bond Fund Super Institutional Plan – Daily Dividend Reinvestment	–	–	–	4,026,657	10	40,420,251
Reliance Liquid Fund – Daily Dividend Option-Treasury Plan	33,063	1,000	50,544,776	535	1,000	818,515
Reliance Liquid Fund – Daily Dividend - Re-investment Option	30,328	1,000	30,342,972	–	–	–
Birla Sun Life Saving Fund – Daily Dividend – Regular Plan – Reinvestment	–	–	–	403,540	100	40,473,815
Birla Sun Life Cash Plus – Daily Dividend-Regular Plan	507,345	100	50,833,452	–	–	–
Kotak Flexi Debt Plan A – Daily Dividend	–	–	–	1,992,380	10	20,018,440
Kotak Floater Treasury Advantage Fund - Daily Dividend – Regular Plan	2,820,924	10	28,434,347	–	–	–

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

Particulars	As at March 31, 2015			As at March 31, 2014		
	(₹)			(₹)		
Kotak Liquid Scheme Plan A-Daily Dividend - Regular Plan	37,220	1,000	45,512,805	—	—	—
Kotak Floater Short Term – Daily Dividend - Regular Plan	44,994	1,000	45,516,918	—	—	—
Sundaram Money Fund Regular- Daily Dividend	3,005,656	10	30,343,002	—	—	—
Taurus Liquidity Fund – Existing Plan – Super Institutional Daily Dividend Reinvestment – Reinvestment	30,474	1,000	30,481,618	—	—	—
JPMorgan India Treasury Fund – Super Institutional Daily Dividend Reinvestment	—	—	—	2,003,997	10	20,057,804
JPMorgan India Liquid Fund – Super Institutional Plan – Daily Dividend	5,039,378	10	50,534,375	—	—	—
TATA Floater Fund	—	—	—	40,346	1,000	40,487,986
Tata Liquid Fund Plan A – Daily Dividend	45,353	1,000	50,546,590	—	—	—
Tata Money Market Fund Plan A – Daily Dividend	55,311	1,000	55,394,386	—	—	—
SBI Ultra Short Term Debt Fund – Regular Fund – Daily Dividend	—	—	—	29,947	1,000	30,003,573
HDFC Floating Rate Income Fund – Daily Reinvestment	—	—	—	223,277	10	2,250,831
HDFC Liquid Fund – Dividend – Daily Reinvest	3,969,006	10	40,476,720	—	—	—
HDFC Cash Management Fund – Savings Plan – Daily Dividend Reinvestment	4,704,154	10	50,035,267	—	—	—
LIC Nomura MF Liquid Fund – Dividend Plan	46,033	1,000	50,544,006	—	—	—
IDFC Cash Fund-Daily Dividend-(Regular Plan)	20,000	1,000	20,008,848	—	—	—
DWS Insta Cash Plus Fund – Daily Dividend – Reinvestment	142,476	10	14,290,899	—	—	—
Franklin India Treasury Management Account – Super Institutional Plan – Daily Dividend Reinvestment	46,453	1,000	46,486,339	—	—	—
SBI Premier Liquid Fund – Regular Plan – Daily Dividend	49,855	1,000	50,016,693	—	—	—
			897,331,536			264,949,557
Aggregate book value of unquoted investments			897,331,536			264,949,557

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

(12) Trade Receivables :

Trade Receivables consist of dues arising from services rendered in the normal course of business of the Company :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Unsecured, considered good : (outstanding for more than 6 months from the date they are due for payment)	34,976,587	222,666,360
Unsecured, considered good : (outstanding for less than 6 months from the date they are due for payment)	180,579,556	377,426,745
	215,556,143	600,093,105

(13) Cash and Cash Equivalents :

Cash and Cash Equivalents consists of :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
(a) Cash on hand	50,404	91,976
(b) Balance with Banks		
(i) in Current Accounts	18,214,498	34,592,242
(ii) in EEFC Accounts	-	1,382,678
(iii) in Fixed Deposit Accounts	20,000,000	10,000,000
(iv) in earmarked Accounts		
» in Current Accounts referring to unclaimed dividend accounts	27,379,486	24,418,982
	65,644,388	70,485,878

Of the above, the balances that meet the definition of Cash and Cash Equivalents as per AS-3 "Cash Flow Statements" are Cash on hand, Cheques on hand, Balances with bank in Current account, EEFC accounts and in Fixed Deposits amounting to ₹ 18,264,902/- (Previous year ₹ 36,066,896/-)

(14) Short Term Loans and advances :

(i) Short Term Loans and advances consist of amounts expected to be realised within twelve months of the Balance Sheet date :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Secured, considered good :		
Staff Loan	160,898	154,260
Unsecured, considered good :		
Inter Corporate Deposits given to Related Parties (refer note 27d)	43,239,998	190,000,000
Prepaid Expenses	16,688,158	22,238,371
Service Tax Input Credit Available	182,962	3,463,045
Advances Recoverable in cash or in kind or for value to be received	23,282,027	22,091,264
	83,554,043	237,946,940

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

- (ii) Advances Recoverable in cash or in kind or for value to be received includes advance recoverable on account of reimbursement of Out of pocket expenses and travel advance given to employees
- (iii) Inter Corporate Deposits given to Related Parties represent the company's short term surplus funds placed with Infrastructure Leasing & Financial Services Limited

As at March 31, 2015			As at March 31, 2014		
Amount (₹)	Interest rate	Tenor	Amount (₹)	Interest rate	Tenor
43,239,998	9%	368 days	40,000,000	9.00%	364 days
			10,000,000	9.00%	368 days
			50,000,000	10.25%	396 days
			50,000,000	10.25%	396 days
			40,000,000	9.00%	365 days

(15) Other Current Assets :

Other Current Assets consists of :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Interest accrued	3,924,293	11,350,974
Forward Cover Premium	2,403,305	2,391,662
Revaluation on derivative contracts	1,125,200	7,131,000
	7,452,798	20,873,636

(16) Contingent Liabilities :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Claims not acknowledged as debts :		
Income tax demands contested by the Company	29,544,293	33,335,456

The Company does not expect any outflow of economic resources in respect of the above and therefore no provision is made in respect thereof

(17) Revenue from Operations :

Revenue from Operations comprises of :

Particulars	For the year ended March 31, 2015 (₹)	For the year ended March 31, 2014 (₹)
Fees from Fund Management and Advisory Services	804,485,068	942,992,154
Total	804,485,068	942,992,154

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

(18) Other Operating Income :

(a) Other Operating Income comprises of :

Particulars	For the year ended March 31, 2015 (₹)	For the year ended March 31, 2014 (₹)
Dividend Income :		
From Non-Current investments		
» Subsidiaries	208,541,150	130,105,000
» Joint venture	17,094,748	33,510,800
Total (a)	225,635,898	163,615,800
Net gain/loss on sale of investments :		
Income from Venture Capital Fund units	9,027,398	6,163,257
Total (b)	9,027,398	6,163,257
Total (a+b)	234,663,296	169,779,057

(19) Other Income :

(i) Other Income comprises of :

Particulars	For the year ended March 31, 2015 (₹)	For the year ended March 31, 2014 (₹)
Interest Income on		
» Fixed Deposits with Banks	2,715,142	1,811,615
» Other Deposits/Loans	10,293,731	24,804,814
	13,008,873	26,616,429
Net gain/loss on sale of investments		
Profit on sale of current non-trade Investments	179,386	139,258
Dividend Income :		
Mutual fund	21,748,692	11,636,796
Profit on sale of Fixed Assets	220,932	48,466
Interest on income tax refund	5,110,837	-
Foreign Exchange Gain	34,229,554	48,451,418
Miscellaneous Income	40,982,778	11,482,101
	115,481,052	98,374,468

- (ii) Miscellaneous Income includes ₹ 25,383,000/- (Previous year ₹ 10,399,100/-) being the reversal of excess provision for Performance Pay for the previous year and ₹ 15,574,776/- towards recovery of fund set up cost (Previous year ₹ Nil)
- (iii) Interest Income is gross of tax deducted at source of ₹ 1,294,964/- (Previous year ₹ 2,658,751/-)

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

(20) Employee Benefit Expense :

Employee Benefit Expense include :

Particulars	For the year ended March 31, 2015 (₹)	For the year ended March 31, 2014 (₹)
Salaries and Allowances	234,297,508	270,858,151
Contribution to Provident Fund and Other Funds	26,707,247	18,935,544
Staff Training and Welfare Expenses	2,253,250	2,284,648
	263,258,005	292,078,343
Less : Recovery on deputation cost	(23,700,000)	(4,000,000)
	239,558,005	288,078,343

(21) Other Administrative and Operating Expenses :

(a) Other Administrative and Operating Expenses consists of :

Particulars	For the year ended March 31, 2015 (₹)	For the year ended March 31, 2014 (₹)
Rent	35,211,596	38,292,567
Rates and Taxes	758,625	1,949,756
Electricity and Water Charges	1,009,666	861,322
Travelling and Conveyance	17,729,684	15,128,009
Insurance	3,356,204	4,059,998
Repairs and Maintenance	4,288,124	6,458,658
Legal and Professional Expenses	38,224,495	43,489,398
Brand Subscription Fees	15,139,320	12,901,488
Expenditure on Corporate Social Responsibility	4,513,020	-
Miscellaneous Expenses	27,158,422	31,857,474
	147,389,156	154,998,670

Miscellaneous Expenses includes commission to non-whole time directors, advertisement expenses, service promotion expenses, postage and telecommunication, printing and stationery, subscription to clubs/association, general office expenses

(b) Amounts paid/payable to the Statutory Auditors :

Particulars	For the year ended March 31, 2015 (₹)	For the year ended March 31, 2014 (₹)
As Auditors	2,500,000	2,500,000
For audit of consolidated accounts	600,000	500,000
In any other capacity		
For taxation matters	900,000	622,000
For other services, certification etc	550,000	432,000
Total	4,550,000	4,054,000
The above fees are exclusive of service tax		

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

(c) Earnings in Foreign Currency (on accrual basis)

Particulars	For the year ended March 31, 2015 (₹)	For the year ended March 31, 2014 (₹)
Fees from Fund Management and Advisory Services	645,063,480	773,282,923
Dividend Income	153,588,750	120,105,000

(d) Expenditure in Foreign Currency (on accrual basis) on:

Particulars	For the year ended March 31, 2015 (₹)	For the year ended March 31, 2014 (₹)
Legal and Professional fees	5,127,078	11,712,264
Travelling Expenses	2,682,691	4,607,680
Conference and Seminar	988,500	2,778,363
Books and Periodicals	628,863	305,212
Subscription to association	1,730,728	1,738,350

(22) Earnings Per Share :

In accordance with the Accounting Standard on 'Earnings Per Share' (AS-20), the Basic Earnings Per Share and Diluted Earnings Per Share has been computed by dividing the Profit After Tax by the number of equity shares for the respective period as under :

Particulars	March 31, 2015	March 31, 2014
Profit After Tax (₹)	558,916,310	537,618,994
Weighted Average Number of Equity Shares in calculating Basic EPS	313,821,481	313,516,170
Add: Potential Equity Shares on conversion of ESOPs outstanding at the end of the year (weighted average from date of grant for options issued during the year)	69,694	65,394
Weighted Average Number of Equity Shares in calculating Diluted EPS	313,891,175	313,581,564
(i) Nominal Value per share (₹)	2.00	2.00
(ii) Basic Earnings per share (₹)	1.78	1.71
(iii) Diluted Earnings per share (₹)	1.78	1.71

The Earning Per Share for the previous period have been recomputed taking into account the effect of the issue of bonus shares during the previous year in accordance with the Accounting Standard 20—"Earnings Per Share"

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

(23) Leases :

The Company has entered into Operating Lease arrangements towards provision for vehicles and Business Centre arrangement towards use of office facility. The minimum future payments during non-cancellable periods under the foregoing arrangements in the aggregate for each of the following periods is as follows :

Future Lease Rentals	March 31, 2015 (₹)	March 31, 2014 (₹)
Not later than one year	6,364,105	7,159,965
Later than one year but not later than 5 years	6,211,099	12,575,204
Particulars	For the year ended March 31, 2015 (₹)	For the year ended March 31, 2014 (₹)
Amount charged to the Statement of Profit and Loss (on non-cancellable lease)	7,687,952	7,357,498
Amount charged to the Statement of Profit and Loss (on cancellable lease)	27,058,644	30,515,069

(24) Dividend paid in Foreign Currencies to Non resident Shareholders :

No Dividend has been paid in Foreign Currencies to non-resident shareholders in current year and previous year

(25) Derivatives and foreign currency Exposures :

(a) The Company has following forward exchange contracts outstanding :

Particulars	As at March 31, 2015	As at March 31, 2014
Number of Contracts	3	3
Notional amount (Sell)	\$ 4,500,000	\$ 5,000,000
Notional amount (Buy)	₹ 290,306,250	₹ 315,617,500

(b) Foreign currency exposures :

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below :

Particulars	As at March 31, 2015	As at March 31, 2014
Receivables	-	\$ 4,453,030
Amount in ₹	-	267,626,212
EEFC Account Balance	-	\$ 22,995
Amount in ₹	-	1,382,678

(26) 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

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

(27) Disclosure as required by the AS 18 on “Related Party Disclosures” are made below :

(a) Name of the Related Parties (with whom transactions entered into during the year) and Description of Relationship :

Sr No	Holding Company
1	Infrastructure Leasing & Financial Services Limited [IL&FS]
Sr No	Subsidiaries
1	IL&FS Urban Infrastructure Managers Limited [IUIML]
2	IL&FS Asian Infrastructure Managers Limited [IAIML]
3	IL&FS Investment Advisors LLC [IIAL]
4	IIML Asset Advisors Limited [IAAL]
5	IIML Advisors LLC [IAL]
6	IIML Fund Managers (Singapore) Pte Ltd [IFMSPL]
Sr No	Fellow Subsidiaries *
1	IL&FS Financial Services Limited [IFIN]
2	IL&FS Securities Services Limited [ISSL]
3	IFIN Realty Trust [IFINRT]
4	IL&FS IIDC Fund [IIF]
5	IL&FS Infrastructure Equity Fund-I [IIEF-I]
6	IL&FS Trust Company Limited [ITCL]
7	IL&FS Energy Development Company Limited [IEDCL]
8	IL&FS Education & Technology Services Limited [IETSL]
9	IL&FS Technology Limited [ITL] from January 30, 2015
10	Livia India Limited [Livia] from January 30, 2015
11	IL&FS Academy of Applied Development [IAAD]
Sr No	Joint Venture Companies
1	IL&FS Milestone Realty Advisors Private Limited [IMRAPL]
2	Standard Chartered IL&FS Management (Singapore) Pte Limited [SCI Asia]
Sr No	Other Enterprise over which IIML has significant influence
1	IVC Employee Welfare Trust [IVC EWT]

* As certified by the holding company and with whom the transactions are done during the year

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

- (b) The nature and volume of transactions during the year ended March 31, 2015, with the above related parties were as follows

Nature of Transaction	Holding Company	Subsidiaries	Fellow Subsidiary	Other Enterprise over which IIML has significant influence	Joint Venture	Key Management personnel
Advisory Fee Income						
IAL	-	643,835,660	-	-	-	-
IAIML	-	8,681,000	-	-	-	-
IFINRT	-	-	15,914,153	-	-	-
IIF	-	-	1,000,000	-	-	-
IIEF-1	-	-	25,341,330	-	-	-
Dividend received						
IAAL	-	44,952,400	-	-	-	-
IUIML	-	10,000,000	-	-	-	-
IAL	-	153,588,750	-	-	-	-
IMRAPL	-	-	-	-	17,094,748	-
Interest Income						
IL&FS	10,234,503	-	-	-	-	-
Term Deposit Placed						
IL&FS	43,239,998	-	-	-	-	-
Repayment of Term Deposits						
IL&FS	190,000,000	-	-	-	-	-
Other Expenses						
IL&FS	1,178,426	-	-	-	-	-
ITCL	-	-	55,494	-	-	-
ISSL	-	-	28,200	-	-	-
IAAD	-	-	44,944	-	-	-
Rent paid						
IL&FS	27,538,644	-	-	-	-	-
Repairs & Maintenance - Others						
IL&FS	525,960	-	-	-	-	-
ITL	-	-	711,018	-	-	-
Livia	-	-	2,114,364	-	-	-
IFSL	-	-	45,753	-	-	-
Electricity Charges						
IL&FS	1,001,164	-	-	-	-	-
Professional Fees						
ISSL	-	-	40,000	-	-	-
Brand subscription fees						
IL&FS	15,139,320	-	-	-	-	-
(Other Reimbursement Paid) / Recovered						
IL&FS	(1,030,047)	-	-	-	-	-
IAAL	-	1,951,888	-	-	-	-
IAIML	-	889,078	-	-	-	-
IETSL	-	68,656	-	-	-	-
IEDCL	-	75,457	-	-	-	-
Director Remuneration						
Dr Archana Hingorani	-	-	-	-	-	28,480,633

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

- (c) The nature and volume of transactions during the year ended March 31, 2014, with the above related parties were as follows :

Nature of Transaction	Holding Company	Subsidiaries	Fellow Subsidiary	Other Enterprise over which IIML has significant influence	Joint Venture	Key Management personnel
Advisory Fee Income						
IIAL	-	767,646,162	-	-	-	-
IAIML	-	8,100,000	-	-	-	-
IFINRT	-	-	16,245,740	-	-	-
IIF	-	-	1,000,000	-	-	-
IIEF - 1	-	-	24,611,316	-	-	-
Dividend received						
IUIML	-	10,000,000	-	-	-	-
IIAL	-	120,105,000	-	-	-	-
IMRAPL	-	-	-	-	33,510,800	-
Interest Income						
IL&FS	20,334,454	-	-	-	-	-
IVC EWT	-	-	-	4,443,905	-	-
Term Deposit Placed						
IL&FS	330,000,000	-	-	-	-	-
Repayment of Term Deposits						
IL&FS	300,000,000	-	-	184,575,000	-	-
Purchase of Investments						
IVC EWT	-	-	-	241,347,750	-	-
Other Expenses						
IETSL	-	-	300,000	-	-	-
ITCL	-	-	47,778	-	-	-
ISSL	-	-	41,630	-	-	-
Rent paid						
IL&FS	30,995,069	-	-	-	-	-
Electricity Charges						
IL&FS	325,360	-	-	-	-	-
Brand subscription fees						
IL&FS	12,901,488	-	-	-	-	-
Repairs and Maintenance						
ILFS	525,960	-	-	-	-	-
Payment of Interest						
IVC EWT	-	-	-	64,034,006	-	-
Director Remuneration						
Dr Archana Hingorani	-	-	-	-	-	30,513,073

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

(d) Statement of significant balances as at March 31, 2015 are as follows :

Nature of Transaction	Holding Company	Subsidiaries	Fellow Subsidiary	Other Enterprise over which IIML has significant influence	Joint Venture	Key Management personnel
Trade Receivables						
IIAL	-	162,736,080	-	-	-	-
IIF	-		1,023,601	-	-	-
Income Received in advance						
IFIN Realty	-	-	249,647	-	-	-
Interest accrued - Current assets						
IL&FS	3,204,972	-	-	-	-	-
Current Maturities of Long-term Loans & Advances						
IL&FS	43,239,998	-	-	-	-	-
Maximum outstanding Inter Corporate Deposits during the year						
IL&FS	193,239,998					
Short Term Advances						
IL&FS	51,376	-	-	-	-	-
IIAL	-	2,809,052	-	-	-	-
IIAL-Dubai	-	(17,951)	-	-	-	-
IEDCL	-	-	186,145	-	-	-
IETSL	-	-	52,656	-	-	-
Trade Payables						
IL&FS	717,145	-	-	-	-	-
IFSL	-	-	56,180	-	-	-
ISSL	-	-	11,760	-	-	-
ITL	-	-	45,226	-	-	-
Livia	-	-	2,138,129	-	-	-
ITCL	-	-	39,326	-	-	-

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

(e) Statement of significant balances as at March 31, 2014 are as follows :

Nature of Transaction	Holding Company	Subsidiaries	Fellow Subsidiary	Other Enterprise over which IIML has significant influence	Joint Venture	Key Management personnel
Trade Receivables						
IIAL	-	566,140,116	-	-	-	-
Sundry Advances						
IAIML	-	535,282	-	-	-	-
IIAL-Dubai	-	-	-	-	-	-
IIAL-Mauritius	-	1,985,096	-	-	-	-
IAAL	-	8,665	-	-	-	-
IETSL	-	-	86,536	-	-	-
IEDCL	-	-	110,688	-	-	-
Interest accrued-Current assets						
IL&FS	7,072,398	-	-	-	-	-
Current Maturities of Long-term Loans & Advances						
IL&FS	110,000,000	-	-	-	-	-
Maximum outstanding Inter Corporate Deposits during the year						
IL&FS	270,000,000	-	-	-	-	-
Short Term Advances						
IL&FS	80,000,000	-	-	-	-	-
Other Non-Current Assets						
IL&FS	4,251,939	-	-	-	-	-
Trade Payables						
IL&FS	592,438	-	-	-	-	-
ITCL	-	-	7,663	-	-	-
IETSL	-	-	319,372	-	-	-

(28) Joint Venture Disclosure :

The Company has the following Joint Ventures as on March 31, 2015 and its proportionate share in the assets, liabilities, income and expenditure of the joint venture entities on the basis of the financial statements as at / for the year ended of those entities is given below :

Name of the Joint Venture Company	% of interest/ ownership	Assets (₹)	Liabilities (₹)	Income (₹)	Expenditure (₹)
IL&FS Milestone Realty Advisors Private Limited	40%	50,314,234	9,205,056	36,827,536	33,164,443
		(65,863,414)	(6,703,630)	(65,146,174)	(42,379,262)
Standard Chartered IL&FS Management (Singapore) Pte Limited	50%	181,267,996	74,006,235	98,819,602	77,074,880
		(185,543,154)	(84,158,893)	(94,705,664)	(78,873,088)

(Figures in brackets represent figures of previous year)

Notes Forming part of Financial Statements

For The Year Ended 31st March, 2015

(29) Segment Reporting :

The Company is in the business of providing asset management and other related service. As such, there are no separate reportable business segment or geographical segment as per Accounting Standard 17 on "Segment Reporting". It is considered appropriate by the Management to have a single segment i.e. "Asset Management and other related service"

(30) Figures for the previous period/year have been regrouped and rearranged wherever considered necessary to conform to those of the current period

The accompanying Notes are integral part of the Financial Statements

For and on behalf of the Board

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kalpesh J. Mehta
Partner

S M Datta
Chairman

Archana Hingorani
Chief Executive Officer &
Executive Director

Manoj Borkar
Chief Financial Officer

Sanjay Mitra
Company Secretary

Place : Mumbai
Date : May 5, 2015

FORM AOC - 1

FORM AOC - 1

[Pursuant to first proviso to Sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A" : Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

	Sr. No.	1	2	3	4	5	6
	Name of the subsidiary	IL&FS Asian Infrastructure Managers Limited	IL&FS Urban Infrastructure Managers Limited	IIML Asset Advisors Limited	IL&FS Investment Advisors LLC	IIML Advisors LLC	IIML Fund Managers (Singapore) Pte Limited
(1)	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2015	March 31, 2015	March 31, 2015	March 31, 2015	March 31, 2015	March 31, 2015
(2)	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	NA	USD @ 62.5908	USD @ 62.5908	USD @ 62.5908
(3)	Share capital	45,918,370	10,000,000	44,071,000	3,630,266	15,647,700	90,756,660
(4)	Reserves & surplus	14,424,392	139,558,556	72,470,318	2,116,559,226	(13,520,364)	(61,332,742)
(5)	Total assets	75,970,694	198,728,577	188,002,976	2,430,391,876	2,415,254	33,202,015
(6)	Total Liabilities	15,627,932	49,170,021	71,461,658	310,202,384	287,918	3,778,097
(7)	Investments	71,156,241	-	144,084,202	125,432	-	-
(8)	Turnover	12,501,130	152,373,980	101,393,869	1,504,256,088	-	31,814,215
(9)	Profit before taxation	1,367,701	31,638,160	31,109,682	254,063,818	(2,899,769)	(623,918)
(10)	Provision for taxation	(310)	8,831,888	8,292,000	13,410,079	-	-
(11)	Profit after taxation	1,368,011	22,806,272	22,817,682	240,653,739	(2,899,769)	(623,918)
(12)	Proposed Dividend	11,479,593	10,000,000	44,952,400	-	-	-
(13)	% of shareholding	51.00%	100%	100%	100%	100%	100%

Notes :

- (1) Names of subsidiaries which are yet to commence operations NIL
- (2) Names of subsidiaries which have been liquidated or sold during the year NIL

Part “B” : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Joint Ventures

Sr. No.	Name of Joint Ventures	IL&FS Milestone Advisors Private Limited	Standard Chartered IL&FS Singapore Pte Limited
1	Latest audited Balance Sheet Date	March 31, 2015	March 31, 2015
2	Shares of Joint Ventures held by the company on the year end	400,000 Equity Shares of ₹ 10 each	50,000 Equity shares of USD 1
3	Amount of Investment in Joint Venture	₹ 4,000,000	₹ 2,218,500
4	Extend of Holding %	40%	50%
5	Description of how there is significant influence	Based on Shareholding	
6	Reason why the Joint venture is not consolidated	NA	NA
7	Networth attributable to Shareholding as per latest audited Balance Sheet (₹)	₹ 32,800,770	₹ 76,009,607
8	Profit/Loss for the year		
	(i) Considered in Consolidation (₹)	₹ 3,663,095	₹ 7,986,627
	(ii) Not Considered in Consolidation	-	-

Notes :

- (1) Names of associates or joint ventures which are yet to commence operations NIL
- (2) Names of associates or joint ventures which have been liquidated or sold during the year NIL

For and on behalf of the Board

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kalpesh J. Mehta
Partner

SM Datta
Chairman

Archana Hingorani
Chief Executive Officer &
Executive Director

Manoj Borkar
Chief Financial Officer

Sanjay Mitra
Company Secretary

Mumbai, May 5, 2015

Consolidated Financial Statements

Independent Auditors' Report on Consolidated Financial Statements

TO THE MEMBERS OF

IL&FS INVESTMENT MANAGERS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **IL&FS INVESTMENT MANAGERS LIMITED** ("the Holding Company"), its Subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and jointly controlled entities, which comprise the Consolidated Balance Sheet as at 31 March, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group, including its jointly controlled entities, in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of the appropriate accounting policies; making judgements 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used to the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Auditors' Report on Consolidated Financial Statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its jointly controlled entities as at 31 March, 2015, their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of four subsidiaries and one jointly controlled entity, whose financial statements reflect total assets of ₹ 26,737.88 lakhs as at 31 March, 2015, total revenues of ₹ 15,852.93 lakhs and net cash inflows of ₹ 1,084.82 lakhs for the year then ended, as considered in the consolidated financial statements. These financial statements have been audited by other auditors, whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and jointly controlled entity, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, based on the comments in the auditor's reports of the Holding Company and the subsidiaries and a jointly controlled company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
- (2) As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2015, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and a jointly controlled company incorporated in India, none of the Directors of the Group companies and its jointly controlled company incorporated in India are disqualified as on March 31, 2015 from being appointed as a Director in terms of Section 164 (2) of the Act.

- (f) 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, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its jointly controlled entities—Refer Note 17 to the consolidated financial statements;
 - (ii) The Group and its jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts;
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries and a jointly controlled company incorporated in India.

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

Kalpesh J. Mehta
Partner
(Membership No. 48791)

Mumbai, May 05, 2015

Annexure To The Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (1) Having regard to the nature of the business/activities/results of the Holding Company and its subsidiaries and jointly controlled company incorporated in India (hereinafter referred to as "the Companies") during the year, clauses (ii), (vi) and (xi) of paragraph 3 of the Order are not applicable to the Companies.
- (2) In respect of the Companies' fixed assets :
 - (a) The Companies have respectively maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management of the respective companies in accordance with a regular programme of verification which, in our opinion, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (3) According to the information and explanations given to us, the Holding Company has granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Act. In respect of such loans :
 - (a) The receipts of principal amounts and interest have been regular.
 - (b) There are no overdue amounts in excess of Rs 100,000 remaining outstanding as at March 31, 2015.
- (4) In our opinion and according to the information and explanations given to us', there are adequate internal control systems commensurate with the sizes of the Companies and the nature of their business with regard to purchase of fixed assets and the sale of services. During the course of our audit, we have not observed any major weaknesses in such internal control systems.
- (5) According to the information and explanations given to us, the Companies have not accepted any deposits during the year.
- (6) According to the information and explanations given to us, in respect of statutory dues :
 - (a) The Companies have generally been regular in depositing undisputed statutory dues, including provident fund, income tax, service tax, value added tax and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of provident fund, income tax, service tax, value added tax and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
 - (c) Details of dues of income tax which have not been deposited by the Companies as at March 31, 2015 on account of disputes are given below :

Name of statute	Nature of the dues	Forum where the dispute is pending	Period to which the amount relates	Amount involved
				(₹)
Income Tax Act, 1961	Income tax in demand	High Court of Bombay	AY 2008 - 09	1,051,814
Income Tax Act, 1961	Income tax in demand	Appeals under process to CIT(A)	AY 2009 -10	38,693
Income Tax Act, 1961	Income tax in demand	Appeals under process to CIT(A)	AY 2010 -11	799,800
Income Tax Act, 1961	Income tax in demand	Appeals under process to CIT(A)	AY 2010 -11	7,641,704

- (d) The Companies have generally been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time.

- (7) The Companies do not have accumulated losses at the end of the financial year and the Companies have not incurred cash losses during the financial year covered by our audit and in the immediately preceeding financial year.
- (8) In our opinion and according to the information and explanations given to us, the Companies have not defaulted in the repayment of dues to financial institutions and banks. The Companies have not issued any debentures.
- (9) According to the information and explanations given to us, the Companies have not given guarantees for loans taken by others from banks and financial institutions.
- (10) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Companies and no material fraud on the Companies have been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Kalpesh J. Mehta
Partner
(Membership No. 48791)

Place : Mumbai

Date : May 5, 2015

Consolidated Balance Sheet As At 31st March, 2015

(Amount in ₹)

Particulars	Note No.	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2014
EQUITY AND LIABILITIES					
Shareholder's Funds					
Share Capital	2	628,085,480		627,204,230	
Reserves and Surplus	3	3,017,323,444	3,645,408,924	2,636,198,506	3,263,402,736
Minority Interest			36,338,071		35,667,746
Non - Current Liabilities					
Deferred tax liabilities (Net)	4	7,223,292		11,448,021	
Long term provisions	5	63,024,647	70,247,939	50,064,630	61,512,651
Current Liabilities					
Trade payables		264,367,041		323,165,551	
Other current liabilities	6	39,358,388		61,514,341	
Short term provisions	7	518,948,306	822,673,735	535,666,424	920,346,316
Total			4,574,668,669		4,280,929,449
ASSETS					
Non - current assets					
Fixed assets (net)	8				
Tangible assets		26,400,735		28,289,575	
Intangible assets		1,391,317,028		1,492,278,311	
Non Current Investments	9	325,383,546		351,179,408	
Deferred tax assets (net)	4	33,188,324		19,231,252	
Long term Loans and Advances	10	85,511,561		85,265,840	
Other Non Current Assets	11	42,489,859	1,904,291,053	67,341,356	2,043,585,742
Current assets					
Current Investments	12	1,112,471,979		442,529,058	
Trade receivables	13	1,017,327,793		1,175,073,362	
Cash and Cash Equivalents	14	384,324,673		231,053,773	
Short term Loans and Advances	15	140,809,547		363,803,598	
Other Current Assets	16	15,443,624	2,670,377,616	24,883,916	2,237,343,707
Total			4,574,668,669		4,280,929,449

The accompanying Notes are an integral part of the Financial Statements

In terms of our report attached

For and on behalf of the Board

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kalpesh J. Mehta
Partner

S M Datta
Chairman

Archana Hingorani
Chief Executive Officer &
Executive Director

Manoj Borkar
Chief Financial Officer

Sanjay Mitra
Company Secretary

Place : Mumbai
Date : May 5, 2015

Consolidated Statement of Profit and Loss For The Year Ended 31st March, 2015

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2015	For the year ended March 31, 2014
Revenue :			
Revenue from Operations	18	1,909,925,184	2,082,206,513
Other Operating Income	19	9,536,935	6,254,247
Other Income	20	167,339,879	140,357,249
Total Revenue		2,086,801,998	2,228,818,009
Expenses :			
Employee benefit expenses	21	523,758,680	612,222,378
Finance Cost	22	—	7,789,952
Depreciation and amortisation expense	8	192,533,663	189,553,671
Other Administrative and Operating expenses	23	405,438,106	411,803,140
Total Expenses		1,121,730,449	1,221,369,141
Profit before tax		965,071,549	1,007,448,868
Tax expense:			
» Current tax		241,228,634	280,804,061
» Short Provision for tax relating to prior years		11,459,690	—
» Deferred tax	4	(18,547,935)	(1,988,130)
Profit after tax before Minority Interest		730,931,160	728,632,937
Less : Share of profit attributable to Minority Interest		(670,325)	(3,760,375)
Group Profit for the year (attributable to Shareholders of the Company)		730,260,835	724,872,562
Earning per equity share : (Not Annualised) (Equity shares of Face value ₹ 2/- each)	27		
» Basic		2.33	2.31
» Diluted		2.33	2.31
The accompanying Notes are an integral part of the Financial Statements			

In terms of our report attached

For and on behalf of the Board

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kalpesh J. Mehta
Partner

S M Datta
Chairman

Archana Hingorani
Chief Executive Officer &
Executive Director

Manoj Borkar
Chief Financial Officer

Sanjay Mitra
Company Secretary

Place : Mumbai
Date : May 5, 2015

Consolidated Cash Flow Statement For The Year Ended 31st March, 2015

(Amount in ₹)

			Figures for the Year Ended March 31, 2015	Figures for the Year Ended March 31, 2014
(A)	CASH FLOW FROM OPERATING ACTIVITIES			
	PROFIT BEFORE TAX		965,071,549	1,007,448,868
	Adjustments for :			
	Depreciation and Amortisation		192,533,663	189,553,671
	Bad Debts/Advances written off		1,143,940	-
	Provision for Doubtful trade receivables		41,303,615	-
	Provision & Contingencies		-	808,632
	Foreign Currency Translation Reserve		7,781,368	(3,941,326)
	Provision for Employee Benefits (Net)		7,563,489	(11,243,931)
	Interest Income		(17,746,141)	(31,777,732)
	Dividend Income		(33,075,445)	(25,399,719)
	Finance Cost		-	7,789,952
	Net Profit on Sale of Investments		(9,536,935)	(6,478,154)
	Profit on sale of Fixed Assets (Net)		(641,011)	(239,050)
	Operating Profit before working capital changes		1,154,398,092	1,126,521,211
	Changes in working capital :			
	Adjustments for (increase)/decrease in operating assets:			
	Trade Receivables		153,595,168	(375,928,372)
	Short Term Loans and Advances		27,455,986	(181,476,213)
	Long Term Loans and Advances		1,021,743	136,657,978
	Other Current Assets		3,432,888	20,216,138
	Other Non-current Assets		27,005,040	4,203,359
	Adjustments for increase/(decrease) in operating liabilities:			
	Trade Payables		(80,531,998)	(4,636,270)
	Other Current Liabilities		(25,647,097)	(52,679,677)
	Non-current Liabilities		-	(898,672)
	Short Term Provisions		-	(428,598)
	Long Term Provisions		118,431	-
	Cash Flow after Working Capital Changes		1,260,848,253	671,550,884
	Payment of Taxes (Net)		(263,077,137)	(275,776,871)
	NET CASH GENERATED FROM OPERATING ACTIVITIES	(A)	997,771,116	395,774,013
(B)	CASH FLOW FROM INVESTING ACTIVITIES			
	Investment in Other Long-term Investments		(3,000,000)	(241,324,889)
	Proceeds from sale of Other Non-current Investments		42,438,247	12,465,361
	Decrease/(Increase) in Current Investments (Net)		(669,942,921)	73,855,157
	Dividend Income on Current Investments		33,075,445	25,399,719
	Inter Corporate Deposits Given		(43,239,998)	(380,000,000)
	Inter Corporate Deposits Refunded		240,000,000	300,000,000
	Capital Expenditure on Fixed Assets		(11,387,509)	(5,835,617)
	Proceeds from Sale of Fixed Assets		1,345,442	507,240
	Interest Received		17,746,141	97,213,381
	Loans Refunded		-	184,575,000
	Bank Balance not considered as cash and cash equivalent			
	Fixed Deposit Placed		(472,827,451)	(22,621,100)
	Fixed Deposit Matured		462,621,100	66,291,086
	NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES	(B)	(403,171,504)	110,525,338

Consolidated Cash Flow Statement For The Year Ended 31st March, 2015

(Amount in ₹)

			Figures for the Year Ended March 31, 2015	Figures for the Year Ended March 31, 2014
(C)	CASH FROM FINANCING ACTIVITIES			
	Proceeds from issuance of Share Capital at premium		5,640,000	2,562,000
	Interest Paid		-	(7,789,952)
	Borrowing repaid		-	(302,481,062)
	Dividend paid		(407,669,750)	(313,355,865)
	Payment of Dividend Distribution tax		(59,416,542)	(53,758,293)
	NET CASH USED IN FINANCING ACTIVITIES	(C)	(461,446,292)	(674,823,172)
(D)	Net Increase/(Decrease) in Cash and Cash Equivalent	(A+B+C)	133,153,320	(168,523,821)
	Impact of Foreign Currency Translation		6,950,724	23,110,357
	Cash and Cash Equivalent at the beginning of the year as per Balance Sheet (refer note 14)		194,013,692	339,427,156
	Cash and Cash Equivalent at the end of the year (Refer Note 14)		334,117,736	194,013,692
	Reconciliation of Cash and cash equivalents with the Balance Sheet :			
	Cash and cash equivalents as per Balance Sheet (Refer Note 14)		384,324,673	231,053,773
	Less : Bank balances not considered as Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) :			
	(i) In other deposit accounts			
	» original maturity more than 3 months		(22,827,451)	(12,621,099)
	(ii) In earmarked accounts (Refer Note (i) below)			
	» Unpaid dividend accounts		(27,379,486)	(24,418,982)
	Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 14 *		334,117,736	194,013,692
	* Comprises			
	(a) Cash on hand		201,897	121,540
	(b) Balances with banks			
	(i) In current and fixed deposit accounts		333,915,839	192,509,474
	(ii) In EEFC accounts		-	1,382,678
			334,117,736	194,013,692

Notes :

- (i) These earmarked account balances with banks can be utilised only for the specific identified purposes
- (ii) The accompanying Notes are an integral part of the Financial Statements

In terms of our report attached

For and on behalf of the Board

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kalpesh J. Mehta
Partner

S M Datta
Chairman

Archana Hingorani
Chief Executive Officer &
Executive Director

Manoj Borkar
Chief Financial Officer

Sanjay Mitra
Company Secretary

Place : Mumbai
Date : May 5, 2015

(1) Significant Accounting Policies

(a) Basis of accounting and preparation of Consolidated Financial Statements

The Consolidated Financial Statement (CFS) relates to IL&FS Investment Managers Limited ("IIML") ("the Company"), its subsidiaries (the Company and its subsidiaries together constitute the "Group") and jointly controlled entities

The CFS of the Group have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the CA 2013 Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act 2013/Companies Act 1956, as applicable. The CFS have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the CFS are consistent with those followed in previous year

(b) Use of Estimates

The preparation of the CFS in conformity with Indian GAAP requires the Management to make certain estimates and assumptions in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any changes in such estimates are recognised prospectively

(c) Principles of consolidation

The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as of the Company. For the purpose of CFS, uniform accounting policies are adopted by the Group

The CFS have been prepared on the following basis :

- (i) The financial statements of the Group have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Inter-company balances and transactions and unrealised profits or losses have been fully eliminated. For translation of the non-integral foreign operations, both monetary and non-monetary assets and liabilities are translated using closing rate as on the balance sheet date. The income and expenses are translated using the average rate during the year. The resulting exchange difference is accumulated in the foreign currency translation reserve until the disposal of the net investment
- (ii) The financial statements of the jointly controlled entities have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra group transactions resulting in unrealised profits or loss as per Accounting Standard 27 on 'Financial Reporting of Interest in Joint Venture' using the "proportionate consolidation" method
- (iii) Minority interest in the net assets of consolidating subsidiaries consists of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit/loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company

- (d) The CFS present the consolidated accounts of the Group, which consists of the accounts of the Company and of the following subsidiaries and jointly controlled entities :

Name of the Entity	Country of Incorporation and Residence	Amount of Investment As at March 31, 2015 (₹)	Percentage of Voting power As at March 31, 2015	Amount of Investment As at March 31, 2014 (₹)	Percentage of Voting power As at March 31, 2014
Subsidiaries					
IL&FS Asian Infrastructure Managers Limited	India	23,418,370	51	23,418,370	51
IL&FS Urban Infrastructure Managers Limited	India	10,000,000	100	10,000,000	100
IL&FS Investment Advisors LLC	Mauritius	900,200	100	900,200	100
Saffron Investment Trust	Mauritius	92,920,000	100	92,920,000	100
IIML Asset Advisors Limited	India	49,864,117	100	49,864,117	100
IIML Advisors LLC	Mauritius	12,599,998	100	12,599,998	100
IIML Fund Managers (Singapore) Pte Ltd	Singapore	84,707,823	100	84,707,823	100
Jointly Controlled Entities					
IL&FS Milestone Realty Advisors Private Limited	India	800,000	40	800,000	40
Standard Chartered IL&FS Management (Singapore) Pte Ltd	Singapore	2,218,500	50	2,218,500	50

(e) **Fixed Assets (Tangible) and Depreciation**

Fixed Assets are carried at cost less accumulated depreciation and impairment losses if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes and any directly attributable expenditure on making the asset ready for its intended use

Depreciation on fixed asset is provided pro-rata from the date on which asset is ready to be put to use for its intended purpose on Straight-Line Method based on the estimated useful life of the assets, which are as follows :

Category of Asset	Estimated Useful Life (in years)
Fixed Assets Tangible :	
Building/Premises	15
Furniture and Fixtures	5
Computers and Data Processing Equipment	3
Data Processing Equipments (Servers & Networking)	4
Office Equipments	4
Vehicles	4
Asset given to employees	3
Lease hold improvement	Over the lease period

As per CA 2013, depreciation of fixed assets has to be provided based on estimated useful life as per Schedule II of the CA 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 and iPad/Tablets 100% depreciated during the year of capitalisation due to extensive usage and technological obsolescence
- (ii) Vehicles as per the current policy of 4 years as against the useful life of 8 years provided in the CA 2013
- (iii) Furniture and Fixtures as per current policy of 5 years as against the useful life of 10 years provided in the CA 2013
- (iv) Office Equipment as per current policy of 4 years as against the useful life of 5 years provided in the CA 2013
- (v) Data Processing Equipment-Servers & Networking as per current policy of 4 years as against the useful life of 6 years provided in the CA 2013
- (vi) Assets provided to Employees as perquisites would be depreciated over a period of 3 years in line with the rules set in the Employee Hand Book (EHB).
- (vii) Individual assets costing ₹ 5,000 or less in the year of capitalisation shall be depreciated 100% for all the categories of assets

Residual value of all assets is retained at ₹ 1

Assets of the Company and its Indian subsidiaries whose useful life has been completed as at March 31, 2014 are fully depreciated and such depreciation is routed through the Reserves and Surplus Account. All other assets outstanding in the books as at March 31, 2014 are depreciated over the balance useful life

Assessment of impairment of an asset is made at the reporting date and impairment loss, if any is recognised through the Statement of Profit and Loss

(f) Intangible Assets and amortisation

Category of Asset	Estimated Useful Life (in years)
Fixed Assets Intangible : (Acquired)	
Computer Software	3
Goodwill	5
Business know-how, Management & Advisory Contracts	Over the life of the Fund
Placement Fees	5

Intangible Assets include business know how, value of Management and Advisory Contracts and related intangible assets acquired. These Intangible Assets are amortised on a straight line basis over the estimated life of the Fund

Placement Fees incurred in the establishment of the Fund are carried as Intangible Assets and are amortised on a straight line basis over five years from the commencement date of the Fund to which the placement fee relate

Goodwill acquired represents excess of consideration paid over assets taken over on amalgamation of the companies with the Group. Such Goodwill is amortised over 5 years on a straight line basis in accordance with AS-14 "Accounting for Amalgamations"

(g) Impairment of Assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, 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 recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets

(h) Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating lease. Lease rental expenses in respect of operating leases is equated over the lease period

(i) Investments

- (i) Investments are recognised at actual cost including costs incidental to acquisition such as brokerage fees and duties
- (ii) Investments are classified as non-current or current at the time of acquisition of such investments
- (iii) Non current investments are individually valued at cost less provision for diminution, other than temporary
- (iv) Current investments are valued at lower of cost or fair value, computed scrip-wise

(j) Foreign Currency Transactions and Translations

- (i) Initial recognition

Foreign currency transactions are recorded at the rate prevailing on the date of transaction. Foreign currency monetary items outstanding as at the Balance Sheet date are restated at the closing rate

- (ii) Measurement at the balance sheet date

Non-Monetary items which are carried in terms of historical cost denominated in foreign currency at the Balance Sheet date are reported using the exchange rate at the date of the transaction

- (iii) Treatment of exchange differences

Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss

(k) Forward Contract Transactions

The Group enters into forward contracts to hedge its assets and liabilities

The premium or discount arising at the inception of a Forward Contract is amortised as income or expense over the life of such Contract

At the reporting date, Forward contracts are revalued and gains/losses if any, are recognised in the Statement of Profit and Loss

Any profit or loss arising on cancellation or renewal of such a forward contract is recognised as income or expense in the period in which such cancellation or renewal is made

(l) Revenue Recognition

- (i) Management fee income on Units of Private Equity Funds (PEF) under management and advisory fee income are recognised based on contractual arrangements
- (ii) Income from Investment (PEF) is recognised on the basis of income distributed by the respective PEFs
- (iii) Dividend income is recognised once the unconditional right to receive dividend is established
- (iv) Interest income on fixed deposits is accrued proportionately based on period for which the same is placed

(m) Employee Benefits

- (i) The Company's contribution to provident fund, superannuation fund are considered as defined contribution plans and are charged as an expense in the statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employee as per applicable law/rules

- (ii) The Indian entities of the Group have taken group gratuity cum life assurance scheme with Life Insurance Corporation of India for gratuity payable to the employees. Incremental liability based on actuarial valuation as per the projected unit credit method as at the reporting date, is charged to the Profit and Loss Statement
- (iii) The leave balance is classified as short term and long term based on the leave policy. The leave encashment liability for the expected leave to be encashed has been measured on actual components eligible for leave encashment and expected leave to be availed is valued based on the total cost to the Company. The Short term and Long term leave have been valued on actuarial basis as per the projected unit credit method

(n) Placement Fees Expense

Placement Fees paid to the Arranger of PEF are recognised over period of 5 years

(o) Taxation

Tax Expense comprises of Current Tax and net changes in Deferred Tax Assets or Liability during the year. Current Tax is measured at the amount of tax payable at the applicable tax rates in respect of taxable income for the year in accordance with the Income tax Act, 1961 enacted in India for the entities operating in India and tax laws prevailing in the respective jurisdictions for the entities operating outside India

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets

Deferred tax assets and liabilities are measured using substantively enacted tax rates. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the Statement of Profit and Loss in the period of substantive enactment of the change

The Group offsets deferred tax assets and liabilities, and advance income tax and provision for tax, if it has a legally enforceable right and is relate to taxes on income levied by the same governing taxation laws

(p) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that the outflow of resources would be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted at their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. A Contingent Liability is disclosed unless the possibility of an outflow of resources embodying the economic benefits is remote. Contingent Assets are neither recognised nor disclosed in the financial statements

(q) Cash Flow Statements

- (i) Cash flows are reported using the indirect method, whereby profit 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. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information
- (ii) Cash comprises cash on hand 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

(r) Earnings Per Share (EPS)

In determining earnings per share, the Company considers the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. 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 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

(s) Service tax input credit

Service tax input credit 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/recognise the credits

(t) Borrowing Cost

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Consolidated Statement of Profit and Loss over the tenure of the loan

(2) Share Capital

(a) Share Capital of the Company consist of the following :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Authorised Share Capital		
325,000,000 Equity shares of ₹ 2/- each	650,000,000	650,000,000
(Previous Year 325,000,000 Equity shares of ₹ 2/- each)		
Issued, Subscribed and Fully Paid-up Capital		
314,032,740 Equity shares of ₹ 2/- each (As at March 31, 2014 : 313,592,115 Equity shares of ₹ 2/- each) with voting rights	628,065,480	627,184,230
Add : Forfeited shares	20,000	20,000
	628,085,480	627,204,230

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

Particulars	As at March 31, 2015		As at March 31, 2014	
	No of Shares	Amount	No of Shares	Amount
At the beginning of the year	313,592,115	627,184,230	208,903,910	417,807,820
Add : Allotment made towards Bonus Issue	-	-	104,530,705	209,061,410
Add: Allotment made towards Employee Stock Option Plan [ESOP] shares exercised	440,625	881,250	157,500	315,000
At the end of the year	314,032,740	628,065,480	313,592,115	627,184,230

(c) List of the shareholders holding more than 5% of the share capital :

Name of the Shareholder	As at March 31, 2015		As at March 31, 2014	
	No of Shares held	% of Holding	No of Shares held	% of Holding
Infrastructure Leasing & Financial Services Limited, the Holding Company	158,333,152	50.42	158,333,152	50.49

- (d) Rights, preference and restrictions attached to equity shares :

The Company has one class of Equity Shares with face value of ₹ 2/- each. Each Share Holder has a voting right in proportion to their holding of the paid up Equity Share Capital of the Company.

- (e) Number of equity shares allotted as fully paid up by way of bonus shares for preceding five years :

Financial Year	Par Value (₹)	No of shares	Amount (₹)
2014-15	-	-	-
2013-14	2	104,530,705	209,061,410
2012-13	-	-	-
2011-12	-	-	-
2010-11	-	-	-

- (f) Forfeited shares :

During the financial year 1997-98 the Company had forfeited 10,000 equity shares of ₹ 2/- each on which amount paid up was ₹ 20,000/-

- (g) Shares reserved for issue under Options :

The particulars of the Options distributed under ESOP 2003, ESOP 2004 and ESOP 2006 are as follows :

Particulars	ESOP 2003	ESOP 2004	ESOP 2006
Eligibility	Directors and Employees	Directors and Employees	Directors of the Company and Subsidiary Companies and Employees of the Company
Vesting period for options granted during the year	One year from date of grant	One year from date of grant	One year to Three year from date of grant
Exercise Period	Four years beginning from date of vesting	Four years beginning from date of vesting	Four years beginning from date of vesting
Method of Settlement	Equity	Equity	Equity

- (h) The number of Options available for grant in future are as follows :

Particulars	ESOP 2003	ESOP 2004	ESOP 2006
Options available for grant in future	37,815	130,928	1,935,000

- (i) The number and weighted average Exercise Price of Stock Options for ESOP 2006 is as follows :

Particulars	ESOP 2006	
	No of Options	Weighted Average Exercise Price* (₹)
Authorised to be Granted	16,875,000	-
Granted and outstanding at the beginning of the year	440,625	12.80
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	440,625	12.80
Lapsed during the year	-	-
Granted and outstanding at the end of the year	-	-
Vested and Exercisable at the end of the year	-	-
Additional option on account of bonus issue	-	-
Total Options outstanding at the end of the year	-	-

* Determined at the time of grant

- (j) The effect of subdivision of each Equity share of ₹ 10/- into Equity shares of ₹ 2/- each and issue of bonus shares is considered in calculating the number of Options
- (k) The Company calculates the employee compensation cost using the Intrinsic Value of the Options. The Exercise Price of the Options granted is based on the Market Price as on the date of the Grant
- (l) No Options were granted during the year
- (m) The weighted average market price at the dates of exercise for options during the year was ₹ 22.95

(3) Reserves and Surplus

The movement in Reserves and Surplus are as under :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Securities Premium Account		
Balance as per previous Balance Sheet	-	141,638,254
Add : Premium on ESOP shares issued during the year	4,758,750	2,247,000
Less : Utilised during the year for Issuing bonus shares	-	(143,885,254)
Balance at the end of the year	4,758,750	-
General Reserve		
Balance as per previous Balance Sheet	258,657,591	259,385,027
Add: Appropriation from Statement of Profit and Loss	57,000,000	64,448,720
Less : Appropriation for Bonus	-	(65,176,156)
Balance at the end of the year	315,657,591	258,657,591
Capital Reserve on Consolidation		
Balance as per previous Balance Sheet	49,169,392	49,169,392
Add : Addition	-	-
Balance at the end of the year	49,169,392	49,169,392

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Surplus in Statement of Profit and Loss		
Balance as per previous Balance Sheet	1,951,202,525	1,758,254,815
Add : Group profit for the year	730,260,835	724,872,562
Add : Reversal of Excess Dividend tax	-	6,891,196
Less : Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with Nil remaining useful life (Refer Note 8)	(306,856)	-
Less : Appropriation for Dividend	(408,242,562)	(407,669,750)
Less : Appropriation for Dividend tax	(55,990,527)	(66,697,578)
Less : Transfer to General Reserve	(57,000,000)	(64,448,720)
Balance at the end of the year	2,159,923,415	1,951,202,525
Foreign Currency Translation Reserve		
Balance as per previous Balance Sheet	377,168,998	209,147,621
Add : Addition	110,645,298	168,021,377
Balance at the end of the year	487,814,296	377,168,998
	3,017,323,444	2,636,198,506

(4) Deferred Tax Asset and Deferred Tax Liability :

Deferred Tax provision has been made in accordance with the requirements under the Accounting Standard-22 "Accounting for Taxes on Income"

- During the current year ended March 31, 2015 the timing difference has resulted in a net deferred tax credit of ₹ 17,400,204/-
- The Net deferred tax asset recognised in the accounts as of March 31, 2015 are as follows:

Nature of Timing Differences	As at March 31, 2014 Asset/(Liability) (₹)	Adjusted/ Added during the year (₹)	As at March 31, 2015 Asset/(Liability) (₹)
Difference between book and tax Depreciation	7,890,866	94,909	7,985,775
Employee Benefits	11,419,009	244,199	11,663,208
Provision for Bad debts	-	13,400,958	13,400,958
Deferred Rent	149,937	(11,554)	138,383
Deferred Income	291,440	(291,440)	-
Mobilisation Expenses	(520,000)	520,000	-
Total	19,231,252	13,957,072	33,188,324
Previous year	22,005,117	(2,773,865)	19,231,252

- (c) The deferred tax liability recognised in the accounts as of March 31, 2015 is as follows :

Nature of Timing Differences	As at March 31, 2014 Asset/(Liability) (₹)	Adjusted/ Added during the year (₹)	As at March 31, 2015 Asset/(Liability) (₹)
Placement Fees	(7,331,320)	4,590,863	(2,740,457)
Others *	(4,116,701)	(366,134)	(4,482,835)
Total	(11,448,021)	4,224,729	(7,223,292)
Previous year	(14,663,759)	3,215,738	(11,448,021)

* The amount of ₹ 366,134/- (Previous year ₹ 901,753/-) is on account of Foreign Exchange Fluctuation adjusted in Foreign Currency Translation Reserves under the head 'Reserves and Surplus'

(5) Long Term Provisions

- (a) Long Term provision consists of provision for amounts due to be settled beyond twelve months after the balance sheet date :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Provision for Employee benefits :		
For compensated absences benefits	22,193,477	18,170,785
For gratuity	40,712,739	31,893,845
Provision Others :		
Deferred Rent	118,431	-
	63,024,647	50,064,630

- (b) Employee benefits pertaining to overseas subsidiaries/joint ventures have been accrued based on the respective labour laws

Particulars relating to Accounting Standard 15 "Employee Benefits" (Revised) in connection with the parent company and its Indian group entities is provided below :

- (i) Defined Contribution Plans :

The Group has recognised ₹ 14,442,444/- (Previous year ₹ 14,956,207/-) as expense 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 and ₹ 4,416,470/- (Previous year ₹ 4,897,176/-) as Group's contribution to Superannuation Fund maintained with Life Insurance Corporation of India

- (ii) Defined Benefit Plans :

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

The actuarial calculations used to estimate defined benefit commitments and expenses are based on the following assumptions :

	Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(I)	Assumptions		
	Discount Rate	7.94%-8.25%	8.25% - 9.33%
	Rate of Return on Plan Assets	7.95%-9.00%	8.70% - 9.00%
	Salary Escalation	6.50%	6.50%
	Attrition Rate	2%-3%	2%-3%
	Mortality Table	Indian Assured Lives mortality (2006-2008) Ultimate	Indian Assured Lives mortality (2006 - 2008) Ultimate and LIC (94 - 96) Ultimate Mortality Table
(II)	Table Showing Change in Benefit Obligation :	March 31, 2015 (₹)	March 31, 2014 (₹)
	Liability at the beginning of the year	82,329,596	74,638,392
	Interest Cost	7,617,182	6,157,668
	Current Service Cost	7,980,065	7,577,364
	Liability Transfer In	105,356	-
	Benefit Paid	(8,785,875)	(2,485,580)
	Actuarial (gain)/loss on obligations	5,817,846	(3,558,248)
	Liability at the end of the year	95,064,170	82,329,596
(III)	Tables of Fair value of Plan Assets :		
	Fair Value of Plan Assets at the beginning of the year	97,444,562	80,591,618
	Expected Return on Plan Assets	8,486,184	7,054,435
	Contributions	3,549,567	11,859,510
	Transfer from other Company	105,356	-
	Benefit Paid	(7,778,789)	(1,961,538)
	Actuarial Gain/(Loss) on Plan Assets	(276,030)	(99,463)
	Fair Value of Plan Assets at the end of the year	101,530,850	97,444,562
	Total Actuarial Gain/(Loss) to be recognised	(6,093,876)	3,458,785
(IV)	Actual Return on Plan Assets :		
	Expected Return on Plan Assets	8,486,184	7,054,435
	Actuarial Gain/(Loss) on Plan Assets	(276,030)	(99,463)
	Actual Return on Plan Assets	8,210,154	6,954,972

	Particular	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)	As at March 31, 2012 (₹)	As at March 31, 2011 (₹)
(V)	Amount Recognised in the Balance Sheet :					
	Liability at the end of the year	95,064,170	82,329,596	74,638,392	69,070,807	51,521,128
	Fair Value of Plan Assets at the end of the year	101,530,850	97,444,562	80,591,618	69,511,030	39,913,251
	Difference	(6,466,680)	(15,114,966)	(5,953,225)	(440,223)	11,607,877
	Unrecognised Past Service Cost	-	-	-	-	-
	Amount Recognised in the Balance Sheet	(6,466,680)	(15,114,966)	(5,953,225)	(440,223)	11,607,877
(VI)	Particulars			For the year ended March 31, 2015		For the year ended March 31, 2014
	Expenses Recognised in the Statement of Profit and Loss :					
	Current Service Cost			7,980,065		7,577,364
	Interest Cost			7,617,182		6,157,668
	Expected Return on Plan Assets			(8,486,184)		(7,054,435)
	Net Actuarial (Gain)/Loss To be Recognised			6,093,876		(3,458,785)
	Expense Recognised in Statement of Profit and Loss			13,204,939		3,221,812
(VII)	Balance Sheet Reconciliation :			As at March 31, 2015 (₹)		As at March 31, 2015 (₹)
	Opening Net Liability			(15,114,965)		(5,953,225)
	Expense as above			13,204,939		3,221,812
	Employers Contribution			(3,549,567)		(11,859,510)
	Benefits Paid			(1,007,086)		(524,042)
	Amount Recognised in Balance Sheet			(6,466,679)		(15,114,965)
(VIII)	Description of Plan Assets :					
	Insurer Managed Funds			100%		100%
(IX)	Experience Adjustments :					
	Particular	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)	As at March 31, 2012 (₹)	As at March 31, 2011 (₹)
	Experience adjustments on plan liabilities Gain/(Loss)	4,712,156	4,072,380	1,118,740	12,825,806	(2,731,448)
	Experience adjustments on plan assets Gain/(Loss)	(276,030)	(99,463)	45,116	1,112,106	321,976

Other Details :

The employer's best estimate of the contributions expected to be paid to the plan during the next 12 month ₹ 202,765/- (Previous year ₹ 171,400/-)

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

(6) Other Current liabilities :

(a) Other Current Liabilities consists of :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Income Received in advance	-	28,136,843
Unclaimed Dividend	27,379,486	24,418,982
Unamortised Deferred Income	308,085	898,672
Statutory Payments	10,785,298	6,661,701
Other Liabilities	885,519	1,398,143
	39,358,388	61,514,341

(b) Other Liabilities pertains to amount payable to Provident Fund and Profession Tax

(c) Unclaimed dividend of ₹ 27,379,486/- relates to the period from FY 2007-2008 to FY 2013-2014. During the year ended March 31, 2015 an amount of ₹ 1,414,260/- (Previous year : ₹ 920,601/-) has been transferred to the Investor Education and Protection Fund relating to amounts for the year ended March 31, 2007

(7) Short Term provisions :

Short Term provision consists of provision for amounts due to be settled within twelve months after the balance sheet date :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Provision for employee benefits :		
For compensated absences	7,745,511	11,738,263
For Gratuity	461,297	64,380
Provision Others :		
Provision for Taxation (Net)	46,622,033	56,891,113
Provision for Dividend	408,242,562	407,669,750
Provision for Dividend Tax	55,876,903	59,302,918
	518,948,306	535,666,424

Notes Forming part of Consolidated Financial Statements

(8) Fixed Assets :

(a) Tangible and Intangible Assets
Current Year

Description of Assets	GROSS BLOCK (AT COST)			DEPRECIATION/AMORTISATION					NET BLOCK	
	As on 1.04.2014	Additions	Deductions/ Adjustments*	As at 31.03.2015	As at 1.04.2014	For the Year	Deductions/ Adjustments*	Transitional adjustment recorded against Surplus balance in Statement of Profit and Loss ¹		Up to 31.03.2015
Tangible Assets :										
Building	20,459,859	-	845,674	21,305,533	4,439,931	1,387,489	216,215	-	6,043,635	15,261,898
Furniture and Fixtures	11,872,612	1,211,645	(1,705,866)	11,378,391	8,636,906	2,741,864	(1,403,602)	306,857	10,282,025	1,096,366
Vehicles	14,602,569	2,715,618	135,503	17,453,690	12,604,243	1,514,267	271,371	-	14,389,881	3,063,809
Office Equipments	13,128,005	1,436,500	(3,322,196)	11,242,309	10,106,296	2,293,638	(3,137,506)	-	9,262,428	1,979,881
Data Processing Equipments	13,242,653	3,813,061	(2,754,706)	14,301,008	10,201,657	2,422,285	(2,751,935)	-	9,872,006	4,429,002
Lease Improvements	22,366,522	-	(1,119,141)	21,247,381	21,393,612	403,130	(1,119,140)	-	20,677,602	569,779
Total (A)	95,672,220	9,176,824	(7,920,732)	96,928,312	67,382,645	10,762,673	(7,924,597)	306,857	70,527,577	26,400,735
Intangible Assets (Other than internally generated) :										
Goodwill on amalgamation	18,402,681	-	(18,402,681)	-	18,402,681	-	(18,402,681)	-	-	-
Computer Software	7,804,388	27,883	-	7,832,271	7,049,376	448,598	-	-	7,497,974	334,297
Business Know-how, Management and Advisory Contracts ²	2,243,116,536	-	3,888,324	2,239,228,212	751,593,237	181,322,392	(84,670,148)	-	848,245,481	1,390,982,731
Placement Fees	838,545,414	-	-	838,545,414	838,545,414	-	-	-	838,545,414	-
Total (B)	3,107,869,019	27,883	(22,291,005)	3,085,605,897	1,615,590,708	181,770,990	(103,072,829)	-	1,694,288,869	1,391,317,028
Total (A+B)	3,203,541,239	9,204,707	(30,211,737)	3,182,534,209	1,682,973,353	192,533,663	(110,997,426)	306,857	1,764,816,446	1,417,717,763

* Adjustments include movement due to foreign exchange fluctuations

Note no 1 : ₹ 306,857/- depreciation on assets whose useful life is completed on March 31, 2014, routed through Reserves and Surplus in terms of transitional provisions of the Schedule II of the CA 2013

Note no 2 : Of the Business Know-how, Management and Advisory Contracts a sum of ₹ 113,099,511/- represents amount capitalised in Group Company in FY 2002 - 03 towards acquisition of management contracts for funds. This has been amortised over a period of 5 years. Since the life of the fund has expired, the amount of asset disclosed in Fixed Assets schedule has been written back against the provision for depreciation in the books. A sum of ₹ 2,239,228,212/- (gross block as at March 31, 2015) represents the amount recognised as intangibles in subsidiary financials being the fair value of the management and advisory contracts acquired by the Company in respect of K2 Property Limited (K2) and Saffron India Real Estate Fund - I (SIREF-I), pursuant to the amalgamation with Saffron Capital Advisors Limited ("SCAL") and Saffron Capital Securities Limited ("SCSL") with the Company

The intangible assets are amortised over the remaining estimated useful life of such contracts. The useful lives of the management and advisory contracts of K2 and SIREF-I had initially been estimated at 16 years and 8 years respectively on the basis of the life of the funds which are limited life entities. Due to divestment of K2 planned in the short term, Yatra Capital Limited will launch a new fund in FY 2016 to replace K2. The recoverable amount of the intangible assets is dependent on the successful launch of the new fund. The directors believe that the targeted capital to be raised by the new funds will be achievable and future economic benefits will accrue to the Company based on steps taken by the Management towards appointment of appropriate placement agencies and legal counsel and formation of the structures in raising new funds. On the basis that the Company will continue to earn management fee income from the new funds in addition to the management fee income from K2 and SIREF-I. The management has determined that the carrying value of the intangible assets is fully recoverable and therefore no impairment of the intangible assets is required following the proposed divestment of K2

(8) Fixed Assets :

Previous Year

Amount (₹)

Description of Assets	GROSS BLOCK (at Cost)				DEPRECIATION/AMORTISATION			NET BLOCK As at 31.03.2014
	As on 1.04.2013	Additions	Deductions/ Adjustments*	As at 31.03.2014	As at 1.04.2013	For the Year	Deductions/ Adjustments*	Up to 31.03.2014
Tangible Assets :								
Building	18,509,778	-	1,950,081	20,459,859	2,782,928	1,372,781	284,222	4,439,931
Furniture and Fixtures	12,635,013	1,087,197	(1,849,598)	11,872,612	8,008,008	1,588,735	(959,837)	8,636,906
Vehicles	13,655,377	-	947,192	14,602,569	10,182,568	1,775,404	646,271	12,604,243
Office Equipments	9,533,103	3,233,507	361,395	13,128,005	8,030,572	2,464,280	(388,556)	10,106,296
Data Processing Equipments	11,529,069	2,650,950	(937,366)	13,242,653	9,193,966	1,910,250	(902,559)	10,201,657
Lease Improvements	21,437,490	-	929,032	22,366,522	20,008,554	456,026	929,032	21,393,612
Total (A)	87,299,830	6,971,654	1,400,736	95,672,220	58,206,596	9,567,476	(391,427)	67,382,645
Intangible Assets (Other than internally generated) :								
Goodwill on amalgamation	15,400,384	-	3,002,297	18,402,681	15,400,384	-	3,002,297	18,402,681
Computer Software	6,745,564	1,058,824	-	7,804,388	6,455,561	593,815	-	7,049,376
Business Know-how, Management and Advisory Contracts	2,038,607,721	-	204,508,815	2,243,116,536	527,629,849	179,392,380	44,571,008	751,593,237
Placement Fees	838,545,414	-	-	838,545,414	838,545,414	-	-	838,545,414
Total (B)	2,899,299,083	1,058,824	207,511,112	3,107,869,019	1,388,031,208	179,986,195	47,573,305	1,615,590,708
Total (A+B)	2,986,598,913	8,030,478	208,911,848	3,203,541,239	1,446,237,804	189,553,671	47,181,878	1,682,973,353

* Adjustments include movement due to foreign exchange fluctuations

(9) Non Current Investments

Non Current Investment consists of :

Particulars	Face Value (₹)	No. of Shares/ Units	Cost As at March 31, 2015 (₹)	Face Value (₹)	No. of Shares/ Units	Cost As at March 31, 2014 (₹)
-------------	-------------------	----------------------------	----------------------------------------	-------------------	----------------------------	----------------------------------------

A-Trade Investments

Investment in Equity Instruments (Fully Paid-up)

- Investment in Other						
Avantika Gas Ltd	10	8,250	82,500	10	8,250	82,500
IL&FS India Realty Fund LLC	\$ 10	100	62,591	\$ 10	100	60,100
IL&FS India Realty Fund II LLC	\$ 0.01	100,000	62,591	\$ 0.01	100,000	60,100
TARA India Fund III LLC	\$ 1	2	125	\$ 1	2	120
TARA Feeder Fund Limited	\$ 1	2	125	\$ 1	2	120
Tara India Fund IV LLC (Class C Shares)	\$ 1	1	63	\$ 1	1	60
Tara India Fund IV LLC (Class D Shares)	\$ 1	1	63	\$ 1	1	60
Saffron India Real Estate Fund – I (Class A Shares)	\$ 0.01	15,236	94,672,088	\$ 0.01	18,448	109,710,336
Saffron India Real Estate Fund – I (Class C Shares)	\$ 0.01	75,000	46,943	\$ 0.01	75,000	45,075
Saffron India Real Estate Fund – I (Class D Shares)	\$ 0.01	25,000	15,648	\$ 0.01	25,000	15,025
K2 Property Limited (Class C Shares)	\$ 0.01	75,000	46,943	\$ 0.01	75,000	45,075
K2 Property Limited (Class D Shares)	\$ 0.01	25,000	15,648	\$ 0.01	25,000	15,025
IL&FS Nucleus Fund (Class B Shares)	-	-	-	\$ 1	1	60
Total (A)			95,005,328			110,033,656

B-Investment in Units of Venture Fund (Fully paid - up) (Unquoted)

Leverage India Fund	1,000	100	100,000	1,000	100	100,000
Infrastructure Leasing & Financial Services Realty Fund (Class C Units)	100	500	50,000	100	500	50,000
Infrastructure Leasing & Financial Services Realty Fund (Class A Units)	100,000	803.36	80,336,063	100,000	860	86,002,037
IFIN Realty Trust (Class C Units)	10,000	10	100,000	10,000	10	100,000
IFIN Realty Trust (Class A Units)	1,000,000	69.97	69,972,700	1,000,000	74.27	74,266,100
TARA India Fund III Trust (Class C Units)	10,000	50	500,000	10,000	50	500,000
TARA India Fund III Trust (Class A Units)	1,000,000	71.72	71,718,046	1,000,000	75.53	75,526,206
TARA India Fund III Trust (Class D Units)	1,000,000	3.10	3,101,409	1,000,000	3.10	3,101,409
TARA India Fund III Domestic Trust	1,000	500	500,000	1,000	500	500,000

Particulars	Face Value (₹)	No. of Shares/ Units	Cost As at March 31, 2015 (₹)	Face Value (₹)	No. of Shares/ Units	Cost As at March 31, 2014 (₹)
Tara India Fund IV Trust-(Class A Units)	1,000,000	3	3,000,000	-	-	-
Urjankur Nidhi Trust	100	1,000	100,000	100	1,000	100,000
PAN Asia Project Development Fund	100	1,000	100,000	100	1,000	100,000
Milestone Real Estate Fund-IL&FS Milestone Fund I	1,000	200	200,000	1,000	200	200,000
Milestone Real Estate Fund-IL&FS Milestone Fund II	1,000	200	200,000	1,000	200	200,000
Milestone Real Estate Fund-IL&FS Milestone Fund IIA	1,000	200	200,000	1,000	200	200,000
Milestone Real Estate Fund-IL&FS Milestone Fund IIB	1,000	200	200,000	1,000	200	200,000
Total (B)			230,378,218			241,145,752
Total (A+B)			325,383,546			351,179,408
Aggregate book value of unquoted Investments			325,383,546			351,179,408

(10) Long term Loans and advances :

Long Term Loans and advances consist of amounts expected to be realised beyond twelve months of the Balance Sheet date :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Secured, considered good :		
Staff Loan	1,040,897	337,350
Unsecured, considered good :		
Staff Loan	754,800	807,920
Advance Tax (net of provision)	73,416,412	72,148,948
Security Deposits	2,434,820	3,012,540
Prepaid Expenses	7,864,632	8,959,082
	85,511,561	85,265,840

(11) Other Non-Current Assets :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Unamortised Placement Fees	42,489,859	67,341,356
	42,489,859	67,341,356

(12) Current Investments :

The details of Current Investments are provided below :

Particulars	As at March 31, 2015			As at March 31, 2014		
	Units	Face Value (₹)	Amount in (₹)	Units	Face Value (₹)	Amount in (₹)
Investment in Mutual Funds - Non Trade – Unquoted (lower of cost or fair value)						
ICICI Prudential Flexible Income Plan-Daily Dividend	-	-	-	189,415	100	20,027,919
ICICI Prudential Saving Fund - Regular Plan - Daily Dividend	-	-	-	199,794	100	20,025,817
Templeton India Ultra Short Bond Fund Super Institutional Plan - Daily Dividend Reinvestment	-	-	-	4,026,657	10	40,420,251
Reliance Liquid-Daily Dividend-Treasury Plan	71,192	1,000	108,833,766	50,547	1,000	77,272,698
Baroda Pioneer Treasury Advantage Fund - Daily Dividend Plan	-	-	-	44,487	1,000	45,593,190
Baroda Pioneer Liquid Fund - Institutional Daily Dividend Plan A – Daily Dividend	50,490	1,000	50,546,224	8,211	1,000	8,223,130
JPMorgan India Treasury Fund-Super Institutional Daily Dividend Reinvestment	-	-	-	2,003,997	10	20,057,804
Birla Sun Life Saving Fund - Daily Dividend - Regular Plan - Reinvestment	277,361	100	27,818,484	605,309	100	60,710,722
Birla Sunlife Cash plus-Daily Dividend – Regular Plan	1,200,583	100	120,292,461	528,367	100	52,939,756
Kotak Flexi Debt Plan A-Daily Dividend	-	-	-	1,992,380	10	20,018,440
Kotak Liquid Scheme Plan A – Daily Dividend	37,220	1,000	45,512,805	3,694	1,000	4,516,943
TATA Floater Fund	-	-	-	40,346	1,000	40,487,986
HDFC Floating Rate Income Fund-Daily Reinvestment	-	-	-	223,277	10	2,250,831
SBI Ultra Short Term Debt Fund-Regular Fund-Daily Dividend	-	-	-	29,947	1,000	30,003,571
DWS Insta Cash Plus Fund - Daily Dividend – Reinvestment	142,476	100	14,290,899	-	-	-
ICICI Prudential Liquid-Regular Plan - Daily Dividend	558,659	100	55,901,381	-	-	-
ICICI Prudential Money Market Fund - Regular Plan-Daily Dividend	504,746	100	50,539,918	-	-	-
Franklin India Treasury Management Account - Super Institutional Plan-Daily Dividend Reinvestment	46,453	100	46,486,339	-	-	-
Sundaram Money Fund Regular Daily Dividend Reinvestment	3,005,656	10	30,343,002	-	-	-

Particulars	As at March 31, 2015			As at March 31, 2014		
	Units	Face Value (₹)	Amount in (₹)	Units	Face Value (₹)	Amount in (₹)
Investment in Mutual Funds - Non Trade – Unquoted (lower of cost or fair value)						
Reliance Liquidity Fund – Daily Dividend Reinvestment Option	30,328	1,000	30,342,972	-	-	-
Tata Liquid Fund Plan A - Daily Dividend	45,353	1,000	50,546,590	-	-	-
LIC NOMURA MF Liquid Fund – Daily Dividend Plan	46,033	1,000	50,544,006	-	-	-
Kotak Floater Treasury Advantage Fund-Daily Dividend – Regular Plan	6,204,686	10	62,541,994	-	-	-
Kotak Floater Short Term - Daily Dividend	60,039	1,000	60,736,947	-	-	-
Tata Treasury Manager Fund-Plan A – Daily Dividend	10,160	1,000	10,246,284	-	-	-
HLFDD-HDFC Liquid Fund-Dividend - Daily Reinvestment	3,969,006	10	40,476,720	-	-	-
HDFC Cash Management Fund - Savings Plan-Daily Dividend Reinvestment	4,704,154	10	50,035,267	-	-	-
SBI Premier Liquid Fund-Regular Plan - Daily Dividend	49,855	1,000	50,016,693	-	-	-
Tata Money Market Fund Plan A-Daily Dividend	55,311	1,000	55,394,386	-	-	-
JPMorgan India Liquid Fund-Super Institutional Plan - Daily Dividend	5,039,378	10	50,534,375	-	-	-
Taurus Liquid Fund - Existing Plan - Super Institutional Daily Dividend Reinvestment	30,474	1,000	30,481,618	-	-	-
IDFC Cash Fund-Daily Dividend - (Regular Plan)	20,000	1,000	20,008,848	-	-	-
Total Current Investments			1,112,471,979			442,529,058
Aggregate book value of unquoted Investment			1,112,471,979			442,529,058

(13) Trade Receivables :

Trade Receivables consist of dues arising from services rendered in the normal course of business of the Group

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Secured, considered good : (outstanding for more than 6 months from the date they are due for payment)	27,659,670	78,098,468
Secured, Doubtful : (outstanding for more than 6 months from the date they are due for payment)	28,240,778	-
Less : Provision for Doubtful trade receivables	(28,240,778)	-
Secured, considered good : (outstanding for less than 6 months from the date they are due for payment)	42,371,237	48,553,936
Secured, Doubtful : (outstanding for less than 6 months from the date they are due for payment)	13,062,837	-
Less: Provision for Doubtful trade receivables	(13,062,837)	-
Unsecured , considered good : (outstanding for more than 6 months from the date they are due for payment)	576,392,029	636,897,755
Unsecured , considered good : (outstanding for less than 6 months from the date they are due for payment)	370,904,857	411,523,203
	1,017,327,793	1,175,073,362

(14) Cash and Cash Equivalents :

Cash and Cash Equivalents consists of :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
(a) Cash on hand	201,897	121,540
(b) Balance with Banks		
(i) in Current Accounts	313,157,433	165,211,223
(ii) in EEFC Accounts	-	1,382,678
(iii) in Fixed Deposit Accounts	43,585,857	39,919,350
(iv) in earmarked Accounts-		
in Current Accounts referring to unclaimed dividend accounts	27,379,486	24,418,982
	384,324,673	231,053,773

Of the above, the balances that meet the definition of Cash and Cash Equivalents as per AS-3 "Cash Flow Statements" are Cash on hand, Cheques on hand, Balances with bank in Current EEFC accounts and Fixed Deposits amounting to ₹ 334,117,736/- (Previous year ₹ 194,013,692/-)

(15) Short Term Loans and advances :

- (a) Short Term Loans and advances consist of amounts expected to be realised within twelve months of the Balance Sheet date :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Secured, considered good :		
Staff Loan	160,898	154,260
Unsecured, considered good :		
Staff Loan	213,437	52,196
Inter Corporate Deposits given to Related Parties (Refer note 28 d)	43,239,998	240,000,000
Security Deposit	1,319,939	1,336,222
Prepaid Expenses	26,706,629	29,203,037
Advances Recoverable in cash or in kind or for value to be received from Related Parties (Refer note 28 d)	290,177	360,824
Advances Recoverable in cash or in kind or for value to be received from Other Parties	66,190,231	85,145,828
Indirect Tax credit Receivables	2,688,238	7,551,231
	140,809,547	253,803,598

- (b) Advances Recoverable in cash or in kind or for value to be received includes advance recoverable on account of reimbursement of Out of pocket expenses and travel advance given to employees
- (c) Inter Corporate Deposits given to Related Parties represent the company's short term surplus funds placed with Infrastructure Leasing & Financial Services Limited

As at March 31, 2015			As at March 31, 2014		
Amount (₹)	Interest rate	Tenor	Amount (₹)	Interest rate	Tenor
43,239,998	9%	368 days	40,000,000	9.00%	364 days
			10,000,000	9.00%	368 days
			50,000,000	10.25%	396 days
			50,000,000	10.25%	396 days
			40,000,000	9.00%	365 days
			50,000,000	9.00%	366 days

(16) Other Current Assets :

Other Current Assets consists of :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Interest accrued	4,488,368	13,746,538
Unamortised Distributor Fees	-	1,601,469
Contractually Re-imbursable expenses	5,583,251	-
Other Recoverables	1,843,500	-
Forward Cover Premium	2,403,305	2,404,909
Revaluation on derivative contracts	1,125,200	7,131,000
	15,443,624	24,883,916

(17) Contingent Liabilities :

Particulars	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
Claims not acknowledged as debts :		
Income tax demand contested by the Group	83,124,674	52,045,730

The Group does not expect any outflow of economic resources in respect of the above and therefore no provision is made in respect thereof

(18) Revenue from Operations :

Revenue from Operations comprises of :

Particulars	For the year ended March 31, 2015 (₹)	For the year ended March 31, 2014 (₹)
Fees from Fund Management and Advisory Services	1,909,925,184	2,082,206,513
	1,909,925,184	2,082,206,513

(19) Other Operating Income

Other Operating Income comprises of :

Particulars	For the year ended March 31, 2015 (₹)	For the year ended March 31, 2014 (₹)
Net gain/loss on sale of investments :		
Profit on sale of non-current trade investments	509,537	90,990
Income from Venture Capital Fund units	9,027,398	6,163,257
	9,536,935	6,254,247

(20) Other Income :

Other Income comprises of :

Particulars	For the year ended March 31, 2015 (₹)	For the year ended March 31, 2014 (₹)
Dividend Income :		
From Current non-trade Investments	33,075,445	25,399,719
Net gain/loss on sale of investments :		
Profit on sale of current non-trade Investments	194,304	223,907
Interest Income on		
- Fixed Deposits with Banks	4,794,885	4,957,593
- Other Deposits/Loans	12,951,256	26,820,139
Profit on sale of Fixed Asset	641,011	239,050
Foreign Exchange Gain	43,664,028	65,001,572
Interest on Income Tax refund	5,116,987	-
Reversal of excess Performance Related Pay Provision	46,036,545	13,658,632
Miscellaneous Income	20,865,418	4,056,637
	167,339,879	140,357,249

(21) Employee Benefit Expense :

Employee Benefit Expense include :

Particulars	For the year ended March 31, 2015 (₹)	For the year ended March 31, 2014 (₹)
Salaries and Allowances	489,132,010	567,333,129
Staff Deputation cost	13,845,285	11,132,178
Gratuity Expense (Unfunded)	8,451,272	8,885,753
Contribution to Provident Fund and Other Funds	31,482,605	24,244,977
Staff Training and Welfare Expenses	4,547,508	4,626,341
Less : Recovery of deputation cost	(23,700,000)	(4,000,000)
	523,758,680	612,222,378

(22) Finance Cost :

Finance Cost include :

Particulars	For the year ended March 31, 2015 (₹)	For the year ended March 31, 2014 (₹)
Interest Expense	-	4,945,825
Other Borrowing Costs	-	2,844,127
	-	7,789,952

(23) Other Administrative and Operating Expenses :

(a) Other Administrative and Operating Expenses consists of :

Particulars	For the year ended March 31, 2015 (₹)	For the year ended March 31, 2014 (₹)
Rent	58,835,635	58,580,165
Repairs and Maintenance	6,586,360	9,319,464
Insurance	6,507,580	7,414,723
Rates and Taxes	2,683,566	3,113,820
Legal and Professional Expenses	116,051,112	148,342,876
Advisory Fees	46,995,196	68,820,242
Electricity and Water Charges	1,960,343	1,745,286
Travelling and Conveyance	44,680,030	35,534,061
Postage and Telecommunication	5,252,179	6,454,621
Printing and Stationery	2,767,418	2,830,290
Provision for Doubtful trade receivables	41,303,615	-
Debts/Advances Written Off	1,143,940	-
Brand Subscription Fees	18,205,970	16,770,933
Expenditure on Corporate Social Responsibility	4,556,679	-
Miscellaneous Expenses	47,908,483	52,876,659
	405,438,106	411,803,140

- b) Miscellaneous Expenses includes commission to non-whole-time directors, advertisement expenses, service promotion expenses, subscription to clubs association and general office expenses

(24) Leases :

The Group has entered into Operating Lease arrangements towards provision for vehicles and Business Centre arrangement towards use of office facility. The minimum future payments during non-cancellable periods under the foregoing arrangements in the aggregate for the following year is as follows :

Future Lease Rentals	March 31, 2015 (₹)	March 31, 2014 (₹)
Not later than one year	9,907,089	12,866,054
Later than one year but not later than 5 years	7,573,053	17,266,884
Later than 5 years	-	-

Particulars	For the year ended March 31, 2015 (₹)	For the year ended March 31, 2014 (₹)
Amount charged to the Statement of Profit and Loss (on non-cancellable lease)	11,053,290	13,000,919

(25) Dividend paid in Foreign Currencies to Non resident Shareholders :

No Dividend has been paid in Foreign Currencies to non-resident shareholders in current year and previous year

(26) Derivatives and foreign currency Exposures :

- (i) The Group has following forward exchange contract outstanding :

Particulars	As at March 31, 2015	As at March 31, 2014
Number of Contracts	3	4
Notional amount (Sell)	\$ 4,500,000	\$ 5,400,000
Notional amount (Buy)	₹ 290,306,250	₹ 340,072,500

- (ii) Foreign currency exposures :

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below :

Particulars	As at March 31, 2015	As at March 31, 2014
Receivables	\$ 344,173	\$ 4,876,275
Amount in ₹	21,542,083	292,648,038
EEFC Balance	-	\$ 22,995
Amount in ₹	-	1,382,678

(27) Earning Per Share (EPS) :

In accordance with the Accounting Standard on 'Earnings Per Share' (AS-20), the Basic Earnings Per Share and Diluted Earnings Per Share has been computed by dividing the Profit After Tax by the number of equity shares for the respective year as under :

Particulars	March 31, 2015	March 31, 2014
Profit After Tax (₹)	730,260,835	724,872,562
Weighted Average Number of Equity Shares in calculating Basic EPS	313,821,481	313,516,170
Add: Potential Equity Shares on conversion of ESOPs outstanding during the end of the year(weighted average from date of grant for options issued during the year)	69,694	65,394
Weighted Average Number of Equity Shares in calculating Diluted EPS	313,891,175	313,581,564
(i) Nominal Value per share (₹)	2.00	2.00
(ii) Basic Earnings per share (₹)	2.33	2.31
(iii) Diluted Earnings per share (₹)	2.33	2.31

(28) Disclosure as required by the AS 18 on "Related Party Disclosures" are made below :

- (a) Name of the Related Parties (with whom transactions entered into during the year ended March 31, 2015) and Description of Relationship :

Sr No	Holding Company
1	Infrastructure Leasing & Financial Services Limited [IL&FS]
Sr No	Fellow Subsidiaries*
1	IL&FS Education & Technology Services Limited [IETS]
2	IL&FS Financial Services Limited [IFIN]
3	IL&FS Securities Services Limited [ISSL]
4	IFIN Realty Trust [IFINRT]
5	IL&FS IIDC Fund [IIDC Fund]
6	IL&FS Infrastructure Equity Fund – 1 [IIEF-1]
7	IL&FS Trust Company Limited [ITCL]
8	Integrated Waste Management & Urban Services Company (Tamil Nadu) Private Limited [IWMUSCL]
9	IL&FS Environnemental Infrastructure & Service Limited [IEISL]
10	Vansh Nimay Infraproject Private Limited [VNIPL]
11	IL&FS Maritime International FZE
12	East Delhi Waste Processing Company Private Limited [EDWPC]
13	IL&FS Prime Terminals FZE
14	IL&FS Energy Development Company Limited [IEDCL]
15	Gujarat International Finance Tec-city Co Limited [GIFT]
16	IL&FS Tamil Nadu Power Company Limited [ITPCL]
17	IL&FS Renewable Energy Limited [IREL]
18	IL&FS Engineering & Construction Co. Ltd.
19	Elsamex S.A
20	RDF Power Projects Limited (from June 23, 2014) [RDFPPL]

Sr No	Fellow Subsidiaries*
21	IL&FS Global Pte Limited
22	IL&FS Technology Limited (from January 30, 2015) [ITL] *
23	Livia India Limited (from January 30, 2015) [Livia] *
Sr No	Key Managerial Personnel
1	Dr Archana Hingorani [CEO & Executive Director]
2	Mr Shahzaad Dalal [Director-IL&FS Investment Advisors LLC]

*As certified by holding company and with whom transactions done during the year

- (b) The nature and volume of transactions during the year ended March 31, 2015, with the above related parties were as follows :

Nature of Transactions	Holding Company	Fellow Subsidiary	Key Management personnel
Advisory Fee Income			
EDWPC	-	11,714,607	-
GIFT	-	4,177,600	-
IFINRT	-	15,914,153	-
IEISL	-	7,290,225	-
IIEF-1	-	25,341,330	-
IIDC Fund	-	1,000,000	-
RDFPPL	-	9,899,647	-
VNIPL	-	1,035,290	-
IL&FS Maritime International FZE	-	5,095,020	-
IEDCL	-	10,999,260	-
IL&FS Global Pte Limited	-	67,951,107	-
Interest Income			
IL&FS	12,826,068	-	-
Term Deposit Placed			
IL&FS	43,239,998	-	-
Repayment of Term Deposits			
IL&FS	240,000,000	-	-
Rent paid			
IL&FS	36,769,837	-	-
Repairs & Maintenance			
IL&FS	525,960	-	-
IFIN	-	50,000	-
ITL	-	818,538	-
Livia	-	2,114,364	-
Legal and Professional Fees			
ISSL	-	89,290	-
ITL	-	109,296	-
RDFPPL	-	375,000	-
ITCL	-	425,000	-
Livia	-	742,597	-

Nature of Transactions	Holding Company	Fellow Subsidiary	Key Management personnel
Electricity Charges			
IL&FS	1,001,164	-	-
Brand subscription fees			
IL&FS	17,880,239	-	-
Staff Deputation Cost			
IL&FS	1,250,000	-	-
IFIN	-	13,509,258	-
Other Expenses			
ITCL	-	55,494	-
IAAD	-	44,944	-
ISSL	-	28,200	-
ITCL	-	1,413,901	-
IFIN	-	6,000	-
(Other Reimbursement Paid)/Recovered			
IL&FS	(1,229,403)	-	-
ITCL		(846,227)	-
IETS	-	68,656	-
IEDCL	-	75,457	-
Managerial Remuneration			
Archana Hingorani	-	-	28,480,633
Shahzaad Dalal	-	-	74,584,787

(c) The nature and volume of transactions during the year ended March 31, 2014, with the above related parties were as follows :

Nature of Transaction	Holding Company	Fellow Subsidiary	Other Enterprise over which IIML has significant influence	Key Management personnel
Advisory Fee Income				
IFINRT	-	16,245,758	-	-
IIF	-	1,000,000	-	-
IIEF	-	24,611,316	-	-
IWMUSC	-	2,855,626	-	-
IEISL	-	4,384,528	-	-
VNIPL	-	1,650,992	-	-
EDWPC	-	13,496,484	-	-
GIFTCL	-	9,170,445	-	-
IL&FS Maritime International FZE	-	5,832,151	-	-
Consultancy Fees				
IEISL	-	12,500,000	-	-
IEDCL	-	32,667,955	-	-
IECCL	-	12,704,205	-	-
Elsamex SA	-	10,889,318	-	-
Interest Income				
IL&FS	22,307,057	-	-	-
IVC EWT	-	-	4,443,905	-

Nature of Transaction	Holding Company	Fellow Subsidiary	Other Enterprise over which IIML has significant influence	Key Management personnel
Term Deposit Placed				
IL&FS	380,000,000	-	-	-
Repayment of Term Deposits				
IL&FS	300,000,000	-	-	-
IVC EWT	-	-	184,575,000	-
Purchase of Investments				
IVC EWT	-	-	241,347,750	-
Other Expenses				
ISSL	-	66,630	-	-
ITCL	-	47,778	-	-
IETS	-	300,000	-	-
Business Centre Service Charges				
IL&FS	41,291,305	-	-	-
Salary Deputation Cost Recovery				
IL&FS	8,131,164	-	-	-
Legal and Professional Fees				
ISSL	-	5,500	-	-
IWMUSC	-	19,000,000	-	-
IFIN	-	15,000,000	-	-
Electricity Charges				
IL&FS	325,360	-	-	-
Brand subscription fees				
IL&FS	16,381,045	-	-	-
Repairs and Maintenance				
IL&FS	525,960	-	-	-
Managerial Remuneration				
Archana Hingorani	-	-	-	30,513,073
Shahzaad Dalal	-	-	-	82,758,238

(d) Statement of significant balances as at March 31, 2015 are as follows :

Nature of Transaction	Holding Company	Fellow Subsidiary	Key Management personnel
Trade Receivables			
IEDCL	-	466,489	-
RDFPPL	-	14,774,790	-
EDWPC	-	5,344,675	-
IIDC Fund	-	1,023,600	-
IL&FS Global Pte Limited	-	69,555,466	-
IEISL	-	8,348,627	-
Income Received in advance-Creditors			
IFINRT	-	249,647	-

Nature of Transaction	Holding Company	Fellow Subsidiary	Key Management personnel
Maximum Outstanding Inter Corporate Deposits during the year			
IL&FS	43,239,998	-	-
Short Term Advances			
IEDCL	-	186,145	-
IL&FS	43,291,374	-	-
IETS	-	52,656	-
Other Current Assets			
IL&FS	3,204,972	-	-
Trade Payables			
IFIN	-	20,378,366	-
IL&FS	990,700	-	-
ISSL	-	28,091	-
ITL	-	45,226	-
Livia	-	2,834,475	-
ITCL	-	727,595	-
Transfer of deposits			
IEISL	-	435,960	-

(e) Statement of significant balances as at March 31, 2014 are as follows :

Nature of Transaction	Holding Company	Fellow Subsidiary	Other Enterprise over which IIML has significant influence	Key Management personnel
Trade Receivables				
VNIPL	-	2,491	-	-
EDWPC	-	47,025	-	-
IEDCL	-	32,453,892	-	-
GIFTCL	-	415,840	-	-
IECCL	-	12,620,958	-	-
Maximum outstanding Inter Corporate Deposits During the year				
IL&FS	320,000,000	-	-	-
Interest accrued-Current assets				
IL&FS	8,847,741	-	-	-
Current Maturities of Long-term Loans and Advances				
IL&FS	110,000,000	-	-	-

Nature of Transaction	Holding Company	Fellow Subsidiary	Other Enterprise over which IIML has significant influence	Key Management personnel
Short Term Advances				
IL&FS	130,000,000	-	-	-
IFIN	-	104,634	-	-
IEDCL	-	256,190	-	-
Other Current Assets				
IL&FS	8,847,741	-	-	-
Other Non Current Assets				
IL&FS	4,251,939	-	-	-
Trade Payables				
IL&FS	1,726,179	-	-	-
IETSL	-	319,372	-	-
IFIN	-	15,168,600	-	-
ISSL	-	450	-	-
ITCL	-	7,663	-	-
IWMUSC	-	976,097	-	-
IEISL	-	12,478,042	-	-

(29) Joint Venture Disclosure :

The Company has the following Joint Ventures as on March 31, 2015 and its proportionate share in the assets, liabilities, income and expenditure of the joint venture entities on the basis of the financial statements as at / for the year ended of those entities is given below :

Name of the Joint Venture Company	% of holding	Assets (₹)	Liabilities (₹)	Income (₹)	Expenditure (₹)
IL&FS Milestone Realty Advisors Private Limited	40%	50,314,274	9,205,056	36,827,536	33,164,443
		(65,863,414)	(6,703,630)	(65,146,174)	(42,379,262)
Standard Chartered IL&FS Management (Singapore) Pte Limited	50%	181,267,996	74,006,235	98,819,602	77,074,880
		(185,543,154)	(84,158,893)	(94,705,664)	(78,873,088)

(Figures in brackets represent figures of previous year)

(30) Segment Reporting :

The Group is in the business of providing asset management and other related service. As such, there are no separate reportable business segment or geographical segment as per Accounting Standard 17 on "Segment Reporting". It is considered appropriate by the Management to have a single segment i.e. "Asset Management and other related service"

(31) Figures for previous year have been regrouped and rearranged wherever considered necessary to conform with those of the current year

Notes Forming part of Consolidated Financial Statements

- (32) Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	(₹)	As % of consolidated profit or loss	(₹)
1	2	3	4	5
Parent	21.87%	797,415,335	-42.49%	(310,270,393)
Subsidiaries				
Indian				
IL&FS Asian Infrastructure Managers Limited	1.97%	71,822,355	1.38%	10,049,011
IL&FS Urban Infrastructure Managers Limited	4.38%	159,558,556	3.12%	22,806,272
IIML Asset Advisors Limited	1.89%	68,734,389	-8.79%	(64,204,561)
Foreign				
IL&FS Investment Advisors LLC	61.68%	2,248,622,195	145.91%	1,065,507,681
IIML Advisors LLC	0.06%	2,127,336	-0.39%	(2,832,883)
Saffron Investment Trust	4.48%	163,245,459	-0.16%	(1,164,165)
IIML Fund Managers Singapore Pte Limited	0.60%	21,850,431	-1.97%	(14,367,621)
Minority Interest in all subsidiaries				
IL&FS Asian Infrastructure Managers Limited	-1.00%	(36,338,071)	-0.09%	(670,325)
Joint Ventures				
(as per proportionate consolidation/ investment as per the equity method)				
Indian				
IL&FS Milestone Realty Advisors Private Limited	1.13%	41,109,178	0.50%	3,663,097
Foreign				
Standard Chartered IL&FS Asset Management Pte Limited	2.94%	107,261,761	2.98%	21,744,722
Total	100%	3,645,408,924	100%	730,260,835

The accompanying Notes are integral part of the Financial Statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kalpesh J. Mehta
Partner

Place : Mumbai
Date : May 5, 2015

For and on behalf of the Board

S M Datta
Chairman

Manoj Borkar
Chief Financial Officer

Archana Hingorani
Chief Executive Officer &
Executive Director

Sanjay Mitra
Company Secretary

CORPORATE SOCIAL RESPONSIBILITY PROGRAM

IL&FS Investment Managers Limited (IIML) has been supporting 3 Non Government Organisations (NGOs) based in Mumbai over the last couple of years. These NGOs work with underprivileged children in providing nutrition and education support. This year IIML expanded the scope of its Corporate Social Responsibility program to cover a skill development program, a women entrepreneurship program and a livelihood programme for ragpickers



Key Attainments

The skill development program covers unemployed youth from low income households and provides fully sponsored training, assessment and certification, and thereafter placement in appropriate positions. The target is to cover 200 people under this program

60 women across 3 villages completed the entrepreneurship training program in March 2015, of which 30 women have started their own business

Supported a recycled paper unit wherein its intervention resulted in employment of several waste-pickers

Sponsored nutrition program for 500 children at construction sites in Mumbai. The intervention led to reduction in acute malnutrition from 29% to 14% for a sample of 100 children. An annual camp for 400 children was also organized at Marve (near Mumbai). Annual book week, annual puppet week and a staff picnic were also organized

Sponsored an educational program for 140 girl students at a night school in Wadala (Mumbai). Given IIML's support since FY2012, the school is now in the 'A' grade and would not require additional support going forward

Supported 275 children of Class II for a booster education program which entailed provision of teacher's salaries, educational infrastructure, school bags, stationery & recreation / incentives. The intervention led to significant improvement with 54% of children being assessed in the 'Good' and above grade, compared to 27% prior to the intervention. Improved attendance was also a resultant outcome - 81% of children registered 81%+ attendance compared to 58% earlier





IL&FS Investment Managers Limited
The IL&FS Financial Centre,
Plot No. C-22, G-Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai 400 051, India

www.iimlindia.com