

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

1. We have audited the accompanying Statement of Standalone Financial Results of **IL&FS INVESTMENT MANAGERS LIMITED** ("the Company") for the half year ended September 30, 2013 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. The figures in the columns headed "Quarter ended 30.09.2013" for the Company is the difference between figures in respect of half year ended September 30, 2013 and the unaudited Financial Results for the quarter ended June 30, 2013 which was subjected to our review in terms of our report dated July 22, 2013. This Statement has been prepared on the basis of the related interim financial statements, which is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to express an opinion on the Statement, based on our audit of the related interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS-25) on Interim Financial Reporting notified under the Companies Act, 1956 (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and other accounting principles generally accepted in India and issue a report on the unaudited financial results for the quarter ended September 30, 2013 based on our review.
2. We conducted our audit of the Statement in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the Statement. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall Statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. A) In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) is presented in accordance with the requirements of Clause 41 of the Listing Agreements with the Stock Exchanges; and

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Deloitte Haskins & Sells

(ii) gives a true and fair view in conformity with the accounting principles generally accepted in India of the net profit and other financial information of the Company for the half year ended September 30, 2013.

B) Based on our audit of information in the column headed "Half Year Ended 30.09.2013" and our review of the "Quarter Ended 30.06.2013", nothing has come to our attention that causes us to believe that the information in the columns headed "Quarter Ended 30.09.2013" for the Company, prepared in accordance with the Accounting Standards notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and other recognised accounting practices and policies, does not contain the information required to be disclosed in terms of Clause 41 of the Listing Agreements with Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to the investor complaints disclosed in Part II - Select Information for the Quarter and Half Year Ended September 30, 2013 from the details furnished by the Management and Registrars, respectively.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Registration No.117366W)



Kalpesh J. Mehta
Partner
(Membership No.48971)

MUMBAI, October 25, 2013
KJM/RND

IL&FS INVESTMENT MANAGERS LIMITED

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

PART I
STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2013

(₹ in Lakhs)							
Sr. No.	Particulars	Quarter Ended 30.09.2013 (Unaudited)	Quarter Ended 30.06.2013 (Unaudited)	Quarter Ended 30.09.2012 (Unaudited)	Half Year Ended 30.09.2013 (Audited)	Half Year Ended 30.09.2012 (Audited)	Year Ended 31.03.2013 (Audited)
1)	a) Income from Operations	2,440.93	2,347.88	2,215.92	4,788.81	4,531.71	9,064.82
	b) Other Operating Income	200.04	510.20	155.04	710.24	360.62	1,043.22
	Total income from operations (Net)	2,640.97	2,858.08	2,370.96	5,499.05	4,892.33	10,108.04
2)	Expenses :						
	a) Employees benefits and expense	702.53	783.10	650.15	1,485.63	1,397.98	2,703.75
	b) Depreciation/Amortisation Expense	12.31	8.92	16.62	21.23	31.53	69.24
	c) Legal & Professional Expenses	128.24	57.90	58.74	186.14	147.37	316.82
	d) Other Expense	306.68	313.55	295.82	620.23	614.15	1,073.69
3)	Profit from Operations before Other Income, Finance costs and Exceptional Items (1-2)	1,491.21	1,694.61	1,349.63	3,185.82	2,701.30	5,944.54
4)	Other Income	375.04	41.09	89.76	416.13	162.14	213.15
5)	Profit from Ordinary Activities before Finance costs and Exceptional Items (3+4)	1,866.25	1,735.70	1,439.39	3,601.95	2,863.44	6,157.69
6)	Finance costs	-	-	-	-	-	-
7)	Profit from Ordinary Activities after Finance costs but before Exceptional Items (5-6)	1,866.25	1,735.70	1,439.39	3,601.95	2,863.44	6,157.69
8)	Exceptional Items	-	-	-	-	-	-
9)	Profit from Ordinary Activities before tax (7+8)	1,866.25	1,735.70	1,439.39	3,601.95	2,863.44	6,157.69
10)	Tax expense	541.99	521.93	440.79	1,063.92	864.22	1,913.41
11)	Net Profit from Ordinary Activities after tax (9-10)	1,324.26	1,213.77	998.60	2,538.03	1,999.22	4,244.28
12)	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13)	Net Profit for the period / year (11-12)	1,324.26	1,213.77	998.60	2,538.03	1,999.22	4,244.28
14)	Paid-up Equity Share Capital (Shares of ₹ 2/- each)	4,181.43	4,178.28	4,175.53	4,181.43	4,175.53	4,178.28
15)	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	-	-	5,220.26
16)	Earnings Per Share (₹) (before and after Extraordinary items) (Face value of ₹ 2/- each)						
	– Basic (Not Annualised)	0.63	0.58	0.46	1.21	0.96	2.04
	– Diluted (Not Annualised)	0.63	0.58	0.45	1.21	0.96	2.03



PART II : Select Information for the Quarter and half year ended September 30, 2013

Particulars	Quarter Ended 30.09.2013 (Unaudited)	Quarter Ended 30.06.2013 (Unaudited)	Quarter Ended 30.09.2012 (Unaudited)	Half Year Ended 30.09.2013 (Audited)	Half Year Ended 30.09.2012 (Audited)	Year Ended 31.03.2013 (Audited)
A PARTICULARS OF						
1 SHAREHOLDING						
Public shareholding						
- Number of shares	103,505,975	103,348,475	103,711,225	103,505,975	103,711,225	103,848,475
- Percentage of shareholding	49.51	49.47	49.68	49.51	49.68	49.71
2 Promoters and Promoter Group Shareholding						
a) Pledged / Encumbered						
- Number of shares	105,555,435	-	-	105,555,435	-	-
- Percentage of shares (as a % of the total shareholding of Promoter and Promoter Group)	100	-	-	100	-	-
- Percentage of shares (as a % of the total share capital of the Company)	50.49	-	-	50.49	-	-
b) Non-encumbered						
- Number of shares	-	105,555,435	105,055,435	-	105,055,435	105,055,435
- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter Group)	-	100	100	-	100	100
- Percentage of shares (as a % of the total share capital of the Company)	-	50.53	50.32	-	50.32	50.29

Particulars	3 months ended 30.09.2013
B Investor Complaints :	
Pending at the beginning of the quarter	-
Received during the quarter	31
Disposed of during the quarter	31
Remaining unresolved at the end of the quarter	-

Standalone Statement of assets and liabilities

(₹ in Lakhs)

Particulars	As at Half Year Ended 30.09.2013	As at Year Ended 31.03.2013
	Audited	Audited
A) EQUITY AND LIABILITIES		
1. Shareholders' Funds :		
a) Share Capital	4,181.43	4,178.28
b) Reserves and surplus	7,849.67	5,220.26
c) Money received against share warrants	-	-
Sub-total - Shareholders' funds	12,031.10	9,398.54
2. Share application money pending allotment	-	-
3. Non-current liabilities		
a) Long term borrowings	-	-
b) Deferred tax liabilities (net)	-	-
c) Other long-term liabilities	-	-
d) Long-term provisions	183.35	261.47
Sub-total - Non-current liabilities	183.35	261.47



(₹ in Lakhs)

Particulars	As at Half Year Ended 30/09/2013	As at Year Ended 31/03/2013
	Audited	Audited
4. Current liabilities		
a) Short term borrowings	-	-
b) Trade payables	605.43	829.18
c) Other current liabilities	336.59	230.46
d) Short-term provisions	634.45	4,117.79
Sub-total - Current liabilities	1,576.47	5,177.43
TOTAL - EQUITY AND LIABILITIES	13,790.92	14,837.44
B) ASSETS		
1. Non - current Liabilities		
a) Fixed assets	83.02	70.57
b) Non-current investments	3,944.27	1,366.59
c) Deferred tax assets (net)	199.35	183.38
d) Long-term loans and advances	247.07	1,885.51
e) Other non-current assets	22.98	413.02
Sub-total - Non-current assets	4,496.69	3,919.07
2. Current assets		
a) Current investments	231.80	3,668.29
b) Trade receivables	6,367.27	3,758.24
c) Cash and cash equivalents	563.21	652.24
d) Current Maturities of Long-term Loans and Advances	1,100.00	1,590.00
e) Short-term loans and advances	815.88	839.50
f) Other current assets	216.07	410.10
Sub-total - Current assets	9,294.23	10,918.37
TOTAL - ASSETS	13,790.92	14,837.44

NOTES :

- The aforesaid standalone financial results of the Company, have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 25, 2013. The results for the half year ended is subject to audit by the statutory auditor of the Company
- The Company is in the business of providing "Asset Management and other related service". As such, there are no separate reportable business or geographical segments as per Accounting Standard 17 on "Segment Reporting"
- Tax expense for the half year ended September 30, 2013 is net of deferred tax credit of ₹ 15.97 lakhs (corresponding previous period ₹ 21.72 lakhs)
- During the quarter ended September 30, 2013 the Company allotted 157,500 equity shares on exercise of options granted under the Employees Stock Options Plan
- The figures for the current quarter and the corresponding quarter in the previous year are the balancing figures between the audited figures in respect of the half year ended September 30, and the unaudited published figures for the quarter ended June 30, which were subjected to a limited review
- Figures for the previous period / year have been regrouped and rearranged wherever considered necessary

By Order of the Board



Mumbai, October 25, 2013


Archana Hingorani
Chief Executive Officer & Executive Director