



## IL&FS Investment Managers Ltd. (IIML)

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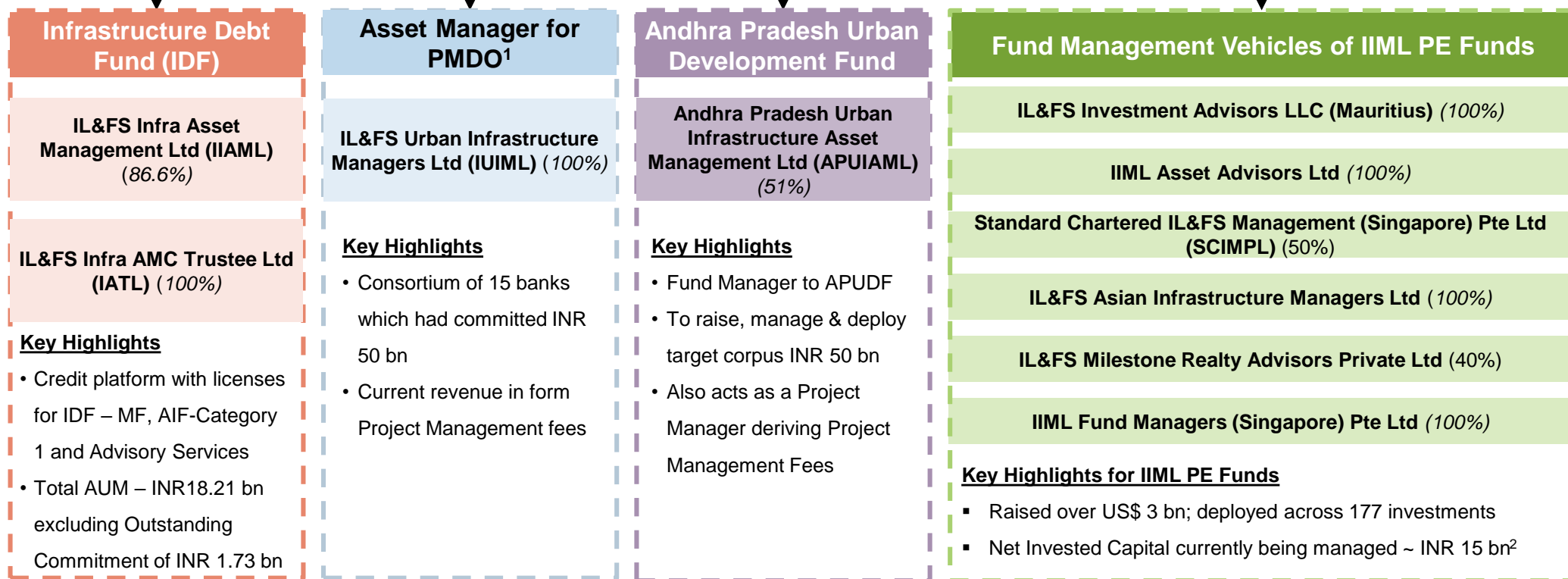
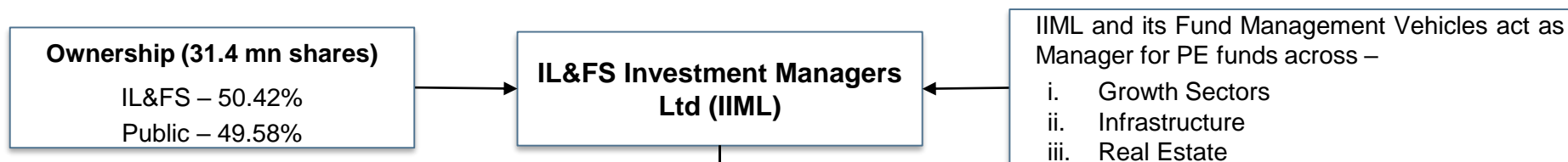
### Acquisition Proposition – Teaser

*20<sup>th</sup> September 2019*

# Overview –

**IL&FS Investment Managers Ltd. (IIML) is an Alternative Investment Manager, listed on BSE & NSE, acting as a fund management platform for investing across the capital stack**

## Corporate Structure & Business Verticals



**Note**  
 1. Pooled Municipal Debt Obligation  
 2. The Net Invested Capital includes INR 11.3 bn under Real Estate Fund – II, which is outside the scope of current transaction  
 Nos. in bracket represent the % Shareholding of IIML in the subsidiary/ JVs as of June'19

# PE Fund Manager Platform Acting as GP to IIML Funds

IIML has raised funds globally across the investor spectrum comprising MFIs, SWFs, Pension Funds and Insurance companies etc.

Category	Funds & Status				
	Fund Name	Vintage	Fee Structure & Mode	Fund Size (Net Invested Capital)	Fund Term Expiry
Growth Private Equity	Tara India Fund IV <sup>1</sup>	2015	Currently accruing basis invested capital	\$ 51 mn (INR 1.3 bn)	Jan'24
	Tara India Fund III	2007	Nil	\$ 220 mn (INR 0.8 bn)	Sept '20
	Leverage India Fund*	2004	Nil	\$ 153 mn (NA)	June'19
Infrastructure Private Equity	SCI Asia Fund*	2008	Reimbursement basis	\$ 658 mn (NA)	Dec'19
	PAPDF	2006	Nil	\$ 45 mn (INR 0.3 bn)	May '20
Real Estate Private Equity	RE Fund I ^	2006	Nil	\$ 525 mn (INR 3 bn in Domestic Leg with current Net Invested Capital at INR 0.7 bn)	Under Discussion
	SIREF	2008	Linked to divestment proceeds + Recurring Fees	\$ 104 mn (INR 1 bn)	Dec'20

1. Undrawn Sponsor commitment of INR 440 mn

\* One outstanding investment from each of the funds has been written-off

^ IIML is the manager only for the domestic leg of RE Fund 1

# Other Operating Subsidiaries

## **Andhra Pradesh Urban Infrastructure Asset Management Limited**

- Government of Andhra Pradesh (GoAP) and IIML have incorporated APIUAML as 49:51 JV respectively
- APUIAML's objective is to :
  - Act as a project manager towards conceptualizing and developing urban infra projects
  - Raise, manage & deploy the Andhra Pradesh Urban Development Fund (APUDF)
- APUDF's target corpus of INR 50 bn, GoAP has committed INR 10 bn to the Fund
- Team has identified 5 projects (INR 27.7 bn), which are under various stages of implementation

## **IL&FS Urban Infrastructure Managers Limited**

- Asset Manager for the Pooled Municipal Debt Obligations (PMDO) facility which provides long tenure term loans for urban infrastructure projects
- A consortium of 15 banks came together and committed INR 50 bn for this facility with current outstanding amount INR 13.5 bn across 20 accounts as on 31<sup>st</sup> Aug'19
- Generates revenue in form Upfront Fees on the sanctioned amount along with Asset Management Fee payable on the outstanding principal & interest amount

# IIAML – Infrastructure Debt Fund (IDF)

## Key Highlights

Setup in 2013 as India's first & largest IDF; Consistent profitability over past 6 years

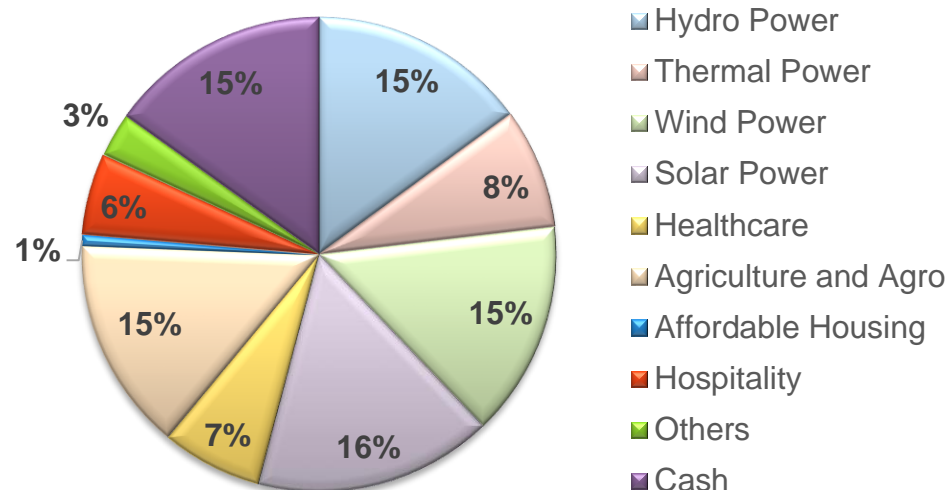
Regulated by SEBI under the Mutual Fund Regulation guidelines

Raised funds from Retirement & Provident Funds (PF); contribution from PF, SAF<sup>3</sup> & Co-op Banks

Since inception IDF has made 23 investments and exited 8 investments

Experienced team with professionals having over 50 years of cumulative experience

## Portfolio Split



## Key Metrics

Item	Info
Current Funds (as of 31 <sup>st</sup> July, 2019)	INR 1,821 Cr
Uncalled Capital <sup>1</sup>	INR 172 Cr
<b>Total AUM (as of 31<sup>st</sup> July, 2019)</b>	<b>INR 1,993 Cr</b>
No. of Investors	48
No. of Schemes	7
Average tenure of Schemes	~5.5 years
Website	www.ilfsinfrafund.com

## Fund Maturity Profile

Schemes	Maturity Date	Total AUM (in INR Cr) <sup>2</sup>
Scheme 1B	April, 2021	413
Scheme 3A	Jan, 2023	161
Scheme 1C	April, 2024	485
Scheme 2A	April, 2025	169
Scheme 3B	May, 2025	171
Scheme 2B	April, 2028	235
Scheme 2C	April, 2032	187

1. Undrawn Sponsor commitment of INR 390 mn

2. AUM as of 31<sup>st</sup> July, 2019. Closed Ended Fund with Growth Investors; Continuous redeployment of Interest Income to increase AUM

3. Superannuation Fund

# IL&FS Financial Services (IFIN's) Commitment

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## Tara India Fund IV

- 2015 vintage Fund focused on early stage investments in small and mid-market companies that are technology enabled, innovation oriented and have a strong social footprint
- Single domestic trust structure (SEBI registered as DVCI) with participation from both international and domestic investors
- Opportunity to purchase IFIN's contribution of INR 355 mn, with an undertaking to contribute undrawn commitment of INR 440 mn

## Infrastructure Debt Fund

- Opportunity to purchase 879 fully paid-up units of face value INR 1 million aggregating to INR 1,294 million and purchase of 1,300 partly paid-up units of face value INR 1 million aggregating to INR 910 million (INR 0.7 million multiplied by 1,300 units)
- Stable Returns of the IDF funds – Investment Opportunity for the new sponsor
- Secondary sale of units possible – Possible returns in form of Capital Gains

# Senior Management Pool

## IL&FS Investment Managers

### Mr. Krishna Kumar

Chief Executive Officer

27 years in Financial Services of which 24 years in Private Equity Fund Management.

Previous stint with Kotak Mahindra Group

**Mr. Manoj Borkar**, Chief Financial Officer  
**Mr. Sanjay Mitra**, Head – Legal & Compliance  
**Mr. Saleh Afimiwalla**, Real Estate PE  
**Mr. Kamalesh Sarangi**, Growth PE  
**Mr. Parag Baduni**, Infrastructure PE

Total Team Size: 28

## Andhra Pradesh Urban Infrastructure Asset Management

### Mr. Prakash Gaur

Chief Executive Officer

20 years Experience in Urban Development, Tourism, Transport, Port and Infrastructure projects on PPP

Previous stint with Gift City and IFC

**Mr. Vikas Verma**, Chief Financial Officer  
**Mr. Sanjeev Patil**, Head - Water  
**Mr. Shenbagaraman V**, Head - Fund  
**Mr. Raj Dabburi**, Head - Project Fin & PPP  
**Mr. Bashir Shiraji**, Head - Smart Cities

Total Team Size: 11

## IL&FS Urban Infra Management

### Mr. B. Pattnaik

Chief Executive Officer

24 years Experience in Financial Services handling various sectors

Previous stint with ICICI, IDBI, SREI

**Ms. Kshma Lal**, AVP, PMDO  
**Mr. Sukumar Jain**, Head - Risk  
**Mr. K.Sundar**, SM, PMDO

Total Team Size: 14

## IL&FS Infrastructure Asset Management

### Mr. Jignesh Shah

Chief Executive Officer

20+ years experience in Financial Services sector with involvement in IIAML since IIAML's inception

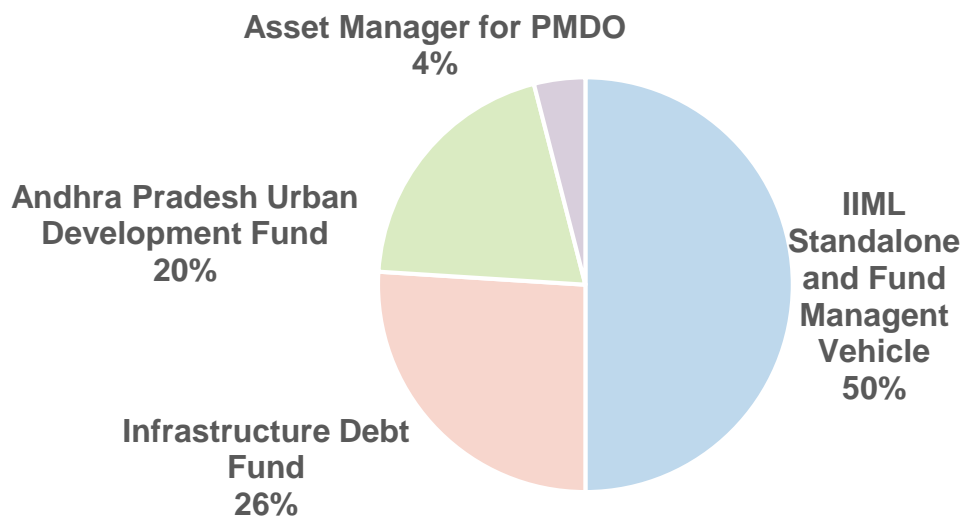
Previous stint with AIG, Arthur Anderson

**Mr. Neelesh Vernekar**, Chief Investment Officer  
**Mr. Amit Mainkar**, Chief Financial Officer  
**Ms. Jyoti Pandey**, Compliance Officer

Total Team Size: 7

# Financial Snapshot

## Revenue Split (as of FY'19)



## IIAML Audited Income Statement Summary

Particulars (in INR Cr)	FY'17	FY'18	FY'19
<b>Total Revenue</b>	<b>19</b>	<b>21</b>	<b>26</b>
Employee Benefit	5	5	4
Other Expenses	4	5	7
Depreciation	0	0	0
Interest	-	-	-
<b>Total Expenses</b>	<b>9</b>	<b>10</b>	<b>11</b>
<b>EBT<sup>3</sup></b>	<b>10</b>	<b>11</b>	<b>15</b>
<i>EBT Margin %</i>	<i>53%</i>	<i>52%</i>	<i>58%</i>

## IIML Consolidated Audited Income Statement Summary

Particulars (in INR Cr)	FY'17	FY'18	FY'19
<b>Total Revenue</b>	<b>115</b>	<b>119</b>	<b>103</b>
Employee Benefit	42	43	39
Other Expenses	42	40	35
Depreciation	17	12	9
Interest	-	-	-
<b>Total Expenses</b>	<b>101</b>	<b>95</b>	<b>83</b>
<b>EBT<sup>3</sup></b>	<b>13</b>	<b>27</b>	<b>22</b>
<i>EBT Margin %</i>	<i>11%</i>	<i>23%</i>	<i>21%</i>

## Consolidated Balance Sheet Summary

Particulars (in INR Cr)	FY'17	FY'18	FY'19
Shareholder's Funds <sup>1</sup>	288	284	257
Non- Current Liabilities	38	31	33
Current Liabilities	8	8	7
<b>Total Equity &amp; Liabilities</b>	<b>334</b>	<b>323</b>	<b>297</b>
Cash & Cash Equivalent <sup>2</sup>	192	129	212
Current Assets (ex-cash)	106	167	62
Non-Current Assets	36	27	23
<b>Total Assets</b>	<b>334</b>	<b>323</b>	<b>297</b>

1. Including Minority Interests
2. Including Current Investments
3. Excludes impact of exceptional items but includes share of Profit / (losses) from JV & Associates, if any  
FY'17 nos. are basis Ind GAAP



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