INDIA INFOLINE FINANCE LIMITED

India Infoline Finance Limited (the "**Company**" or "**Issuer**") was incorporated at Mumbai on July 7, 2004 as a private limited company with the name '*India Infoline Investment Services Private Limited*' under the provisions of the Companies Act. The status of our company was changed pursuant to a resolution of our shareholders to a public limited company on May 15, 2007 and our name was changed to '*India Infoline Investment Services Limited*' pursuant to fresh certificate of incorporation dated July 10, 2007 issued by the Registrar of Companies, Maharashtra, Mumbai. Further the name of the Company was changed to '*India Infoline Finance Limited'* pursuant to fresh certificate of incorporation dated November 18, 2011 issued by the Registrar of Companies, Maharashtra, Mumbai. Also, our Company has obtained a Certificate of Registration dated May 12, 2005 bearing Registration No. B-13.01792 issued by the Reserve Bank of India ("**RBI**") to commence the business of a non-banking financial institution without accepting public deposits under Section 45 IA of the RBI Act, 1934. Our Company is a Systemically Important Non-Deposit taking Non-Banking Finance Company ("**NBFC**"). For more information about the Company, please refer *"General information"* and *"History and Main Objects"* on pages 2 and 119 of this Draft Shelf Prospectus.

Registered Office: 12A-10, 13th Floor, Parinee Crescenzo, G Block, C-38 and C-39, Bandra Kurla Complex, Bandra - East, Mumbai 400 051, Maharashtra, India.
CIN: U67120MH2004PLC147365; **Tel.:** +91 22 6788 1000; **Fax:** +91 22 6788 1010; **Website:** www.iifl.com;
Company Secretary and Compliance Officer: Gajendra Thakur; **Email:** governance@iifl.com

PUBLIC ISSUE BY THE COMPANY OF SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF RS. 1000 EACH ("SECURED NCDs/DEBENTURES") AND UNSECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF RS. 1000 EACH ("UNSECURED NCDs/DEBENTURES") AT PAR (SECURED NCDs AND UNSECURED NCDs ARE COLLECTIVELY REFERRED TO AS "DEBENTURES" OR "NCDs") FOR AN AMOUNT AGGREGATING UPTO RS. 50,000 MILLION ("SHELF LIMIT") (HEREINAFTER REFERRED TO AS THE "ISSUE"). THE UNSECURED DEBENTURES WILL BE IN THE NATURE OF SUBORDINATED DEBT AND WILL BE ELIGIBLE FOR INCLUSION AS TIER II CAPITAL. THE NCDs WILL BE ISSUED IN ONE OR MORE TRANCHES, ON TERMS AND CONDITIONS AS SET OUT IN THE RELEVANT TRANCHE PROSPECTUS FOR ANY TRANCHE ISSUE (EACH "TRANCHE ISSUE") WHICH SHOULD BE READ TOGETHER WITH THIS DRAFT SHELF PROSPECTUS AND THE SHELF PROSPECTUS (COLLECTIVELY THE "OFFER DOCUMENT"). THE ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATION, 2008, AS AMENDED FROM TIME TO TIME (THE "SEBI DEBT REGULATION") AND COMPANIES ACT, 2013 AND RULES MADE THEREUNDER AS AMENDED TO THE EXTENT NOTIFIED.

OUR PROMOTER

Our Promoter is IIFL Holdings Limited. For details of our Promoter, please refer to the section *"Our Promoter"* in Page 142 of this Draft Shelf Prospectus

GENERAL RISKS

Investors are advised to read the Draft Shelf Prospectus, the Shelf Prospectus and the relevant Tranche Prospectus carefully before taking an investment decision in this Issue. For taking an investment decision the investor must rely on his own examination of the Issuer and the Issue including the risks involved. Specific attention of the Investor is invited to ***"Risk Factors"*** and ***"Material Developments"*** on pages 17 and 170 respectively of this Draft Shelf Prospectus, in the Shelf Prospectus and the relevant Tranche Prospectus of any Tranche Issue before making an investment in such Tranche Issue. This Draft Shelf Prospectus has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India (**"SEBI"**), the Reserve Bank of India (**"RBI"**), any registrar of companies or any stock exchange in India, nor do they guarantee the accuracy or adequacy of this document.

ISSUER ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Draft Shelf Prospectus read together with the Shelf Prospectus and relevant Tranche Prospectus for a Tranche Issue does contain and will contain all information with regards to the Issuer and the relevant Tranche Issue, which is material in the context of the Issue. The information contained in this Draft Shelf Prospectus read together with the Shelf Prospectus and relevant Tranche Prospectus is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, omission of which makes this Draft Shelf Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

COUPON RATE, COUPON PAYMENT FREQUENCY, REDEMPTION DATE, REDEMPTION AMOUNT & ELIGIBLE INVESTORS

For details relating to Coupon Rate, Coupon Payment Frequency, Redemption Date, Redemption Amount & Eligible Investors of the NCDs, please refer to the section titled "*Issue Structure*" on page 232 of this Draft Shelf Prospectus.

CREDIT RATING

The NCDs proposed to be issued under this Issue have been rated BWR AA+/Stable (pronounced as BWR Double A Plus with Stable outlook) for an amount of Rs.50,000 million by Brickworks Ratings India Private Limited vide their rating letter dated October 31, 2018, CRISIL AA/Stable (pronounced as CRISIL Double A rating with Stable outlook) for an amount of Rs.50,000 million by CRISIL Ratings Limited vide their rating letter dated November 1, 2018 and [ICRA] AA (Stable) (pronounced as ICRA Double A) for an amount of Rs.50,000 million by ICRA Limited vide their rating letter dated October 31, 2018. The aforesaid rating indicates that instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations and carry very low credit risk. The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating agency has a right to suspend or withdraw the rating at any time on the basis of factors such as new information. Please refer to *Annexures A, B and C* of this Draft Shelf Prospectus for the rationale of the above ratings.

LISTING

The NCDs offered through this Draft Shelf Prospectus along with the Shelf Prospectus and relevant Tranche Prospectus are proposed to be listed on BSE Limited ("**BSE**") and National Stock Exchange Limited ("NSE"). Our Company has received an 'in-principle' approval from BSE *vide* its letter no. [●] dated [●] and NSE *vide* its letter no. [●] dated [●]. BSE shall be the designated stock exchange for this Issue.

PUBLIC COMMENTS

This Draft Shelf Prospectus dated November 23, 2018 has been filed with the BSE and NSE, pursuant to the provisions of the SEBI Debt Regulations and is open for public comments for a period of seven Working Days (upto 5 p.m.) from the date of filing of the Draft Shelf Prospectus with the Designated Stock Exchange. All comments on this Draft Shelf Prospectus are to be forwarded to the attention of the Compliance Officer of our Company. Comments may be sent through post, facsimile or e-mail.

LEAD MANAGERS TO THE ISSUE

Edelweiss Financial Services Limited
Edelweiss House, Off CST Road
Kalina, Mumbai – 400 098
Tel: +91 22 4086 3535
Fax: +91 22 4086 3610
Email: iifl.ncd@edelweissfin.com
Investor Grievance Email:
customerservice.mb@edelweissfin.com
Website: www.edelweissfin.com
Contact Person: Lokesh Singhi / Mandeep Singh
Compliance Officer: B. Renganathan
SEBI Registration No.: INM0000010650

IIFL Holdings Limited*
10th Floor, IIFL Centre,
Kamala Centre, Senapati Bapat Marg,Lower Parel
(West), Mumbai – 400 013
Telephone - +91 22 4646 4600
Fax - +91 22 2493 1073
Email: iifl.ncd2018@iiflcap.com
Investor Grievance Email: ig.ib@iiflcap.com
Website: www.iiflcap.com
Contact Person: Sachin Kapoor / Nishita Mody
Compliance Office: Sourav Roy
SEBI Registration no.: INM000010940

ICICI Securities Limited
ICICI Centre, H.T. Parekh Marg,
Churchgate, Mumbai 400 020,
Maharashtra, India
Tel: +91 22 2288 2460
Fax: +91 22 2282 6580
E-mail: iifl.ncd@icicisecurities.com
Investor Grievance Email:
customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Rupesh Khant/ Suyash Jain
Compliance Officer: Sonali Chandak
SEBI Registration No: INM000011179

Trust Investment Advisors Private Limited
109/110, Balarama, BKC, Bandra (E),Mumbai – 400 051
Tel.: +91-22 4084 5000
Fax: +91-22 4084 5007
Email: mbd.trust@trustgroup.in
Investor Grievance Email:
customercare@trustgroup.in
Website: www.trustgroup.in
Contact Person: Vikram Thirani
Compliance Officer: Ankur Jain
SEBI Registration No: INM000011120

REGISTRAR TO THE ISSUE

Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai 400 083
Tel.: + 91 22 4918 6200
Fax: + 91 22 4918 6195
Email: iifl.ncd2018@linkintime.co.in
Investor Grievance Email: iifl.ncd2018@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No: INR000004058

DEBENTURE TRUSTEE TO THE ISSUE

Catalyst Trusteeship Limited**
GDA House, Plot No. 85,
Bhusari Colony (Right), Kothrud, Pune – 411 038
Tel: 022 4922 0539
Fax: 022 – 4922 0505
Email: ComplianceCTL-Mumbai@ctltrustee.com
Investor Grievance Email: grievance@ctltrustee.com
Website: www.catalysttrustee.com
Contact Person: Umesh Salvi
SEBI Registration No: IND000000034

ISSUE PROGRAMME***

Issue opens on: As specified in the relevant Tranche Prospectus

Issue Closes on: As specified in the relevant Tranche Prospectus

** IIFL Holdings Limited is deemed to be our associate as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended (Merchant Bankers Regulations). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, IIFL Holdings Limited would be involved only in marketing of the Issue.*

***Catalyst Trusteeship Limited under regulation 4(4) of SEBI Debt Regulations has by its letter dated October 31, 2018 given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in Offer Document and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to this Issue and the same is annexed as Annexure D in this Draft Shelf Prospectus.*

****The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated in the relevant Tranche Prospectus, except that the Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company or the Finance Committee, thereof, subject to relevant approvals. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a daily national newspaper with wide circulation on or before such earlier or initial date of Issue closure. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock Exchanges. For further details please refer to our section titled "General Information" on page 43 of this Draft Shelf Prospectus.*

A copy of the Shelf Prospectus and relevant Tranche Prospectus shall be filed with the Registrar of Companies, Mumbai in terms of Section 26 and 31 of Companies Act, 2013, along with the endorsed/certified copies of all requisite documents. For further details, please refer to the section titled "Material Contracts and Documents for Inspection" on page 275 of this Draft Shelf Prospectus.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Shelf Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning ascribed to such definitions and abbreviations set forth herein. References to any legislation, act, regulation, rules, guidelines, clarifications or policies shall be to such legislation, act, regulation, rules, guidelines, clarifications or policies as amended, supplemented or re-enacted from time to time until the date of this Draft Shelf Prospectus, and any reference to a statutory provision shall include any subordinate legislation notified from time to time pursuant to such provision.

The words and expressions used in this Draft Shelf Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such words and expressions under the SEBI Debt Regulations, the Companies Act, 2013, the SCRA, the Depositories Act and the rules and regulations notified thereunder.

General Terms

Term	Description
"IIFL" or "Company" or "the Company" or "the Issuer" or "our Company"	India Infoline Finance Limited, a public limited company incorporated under the Companies Act, 1956, registered as an NBFC with the RBI under Section 45-IA of the RBI Act and having its Registered Office at 12A-10, 13th Floor, Parinee Crescenzo, C-38 & 39, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India.
"we" or "us" or "our"	Unless the context otherwise requires, India Infoline Finance Limited including its Subsidiaries.
Subsidiaries	Subsidiaries of our Company namely, IIFL Home Finance Limited (erstwhile India Infoline Housing Finance Limited), Samasta Microfinance Limited and Clara Developers Private Limited.

Company Related Terms

Term	Description
"Articles" or "Articles of Association" "AOA"	Articles of Association of our Company
Asset Liability Management Committee or ALCO	Asset Liability Management Committee of the Board of Directors as statutorily required by the RBI guidelines.
Audit Committee	Audit committee of the Board of Directors as statutorily required by the Companies Act.
"Auditors" or "Statutory Auditors"	The statutory auditors of the Company, Deloitte Haskins & Sells LLP.
"Board" or "Board of Directors" or "our Board" or "our Board of Directors"	Board of Directors of our Company or any duly constituted committee thereof.
Committee	A committee constituted by the Board, from time to time.
Corporate Social Responsibility Committee	Corporate Social Responsibility Committee of the Board of Directors as statutorily required by the Companies Act.
Credit Committee	Credit Committee as constituted by the Board of Directors
Directors	Directors of the Company
DSA	Direct Selling Agent
Environment and social governance committee	Environment and social governance committee as constituted by the Board of Directors
Equity Shares	Equity shares of the Company of face value of Rs.10 each
ESOP/s	Employee Stock Options
Finance Committee	Finance committee as constituted by the Board of Directors
Group Credit Committee	Group Credit Committee as constituted by the Board of Directors.
"Holding Company" or "our Holding Company"	IIFL Holdings Limited
IIFL ESOP Plan	India Infoline Finance Limited Employee Stock Option Plan 2015
IIHFL	IIFL Home Finance Limited
IT Strategy Committee	IT strategy committee as constituted by the Board of Directors

KMP / Key Managerial Personnel	Key managerial personnel of our Company as disclosed in this Draft Shelf Prospectus and appointed in accordance with Key Managerial Personnel, as defined under Section 2(51) of the Companies Act, 2013, as under: *"key managerial personnel", in relation to a company, means –* *i. the chief executive officer or the managing director or the manager;* *ii. the company secretary;* *iii. the whole-time director;* *iv. the chief financial officer; and* *v. such other officer not more than one level below the directors who is in whole-time employment designated as key managerial personnel by the Board; and such other officer as may be prescribed"*
LAP	Loan Against Property
Limited Review Financial Statement	The standalone and consolidated unaudited limited review financial information of the Company for the half-year ended September 30, 2018, along with the Statutory Auditors reports thereon.
Loan Book	Loan book of the Company recording relevant entries of the secured and unsecured loans advanced by the Company
"Memorandum" or "Memorandum of Association" or "MoA"	Memorandum of Association of our Company
Nomination and Remuneration Committee	Nomination and remuneration committee of the Board of Directors as statutorily required by the Companies Act
Networth	As defined in Sec 2(57) of the Companies Act, 2013, as follows: "*Networth means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.*"
Preference Shares	Preference shares of the Company
Promoter Group	Includes such persons and entities constituting the promoter group of our Company pursuant to Regulation 2 (1) (pp) of the SEBI ICDR Regulations, 2018.
"Promoter" or "our Promoter"	The promoter of our Company IIFL Holdings Limited
Reformatted Summary Consolidated Financial Statements	The statement of reformatted summary consolidated statement of assets and liabilities of the Company and its Subsidiaries as at March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017and March 31, 2018 and the reformatted summary consolidated statement of profit and loss and the reformatted summary consolidated cash flow for each of the financial years ended March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 including the notes thereto as examined by our Company's Statutory Auditor namely M/s. Deloitte Haskins & Sells LLP. The audited consolidated financial statements of the Company as at and for the years ended March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 form the basis for such Reformatted Summary Consolidated Financial Statements.
Reformatted Summary Financial Statements	The Reformatted Summary Standalone Financial Statements and Reformatted Summary Consolidated Financial Statements
Reformatted Summary Standalone Financial Statements	The statement of reformatted summary standalone assets and liabilities of the Company as at March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 and the reformatted summary standalone statement of profit and loss and reformatted summary standalone cash flow for the financial years ended March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 and the summary of significant accounting policies including notes thereto as

	examined by our Company's Statutory Auditor namely M/s. Deloitte Haskins & Sells LLP. The audited standalone financial statements of our Company as at and for the years ended March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 form the basis for such Reformatted Summary Standalone Financial Statements.
Registered Office	The registered office of our 12A-10, 13th Floor, Parinee Crescenzo, C-38 & 39, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
Risk Management Committee	Risk management committee of the Board of Directors as required by the RBI.
RoC/Registrar of Companies	Registrar of Companies, Maharashtra, Mumbai
SML	Samasta Microfinance Limited
Stakeholders Relationship Committee	Stakeholders Relationship Committee as constituted by the Board of Directors

Issue Related Terms

Term	Description
Abridged Prospectus	A memorandum containing salient features of the Shelf Prospectus and the relevant Tranche Prospectus(es)
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
Allotment Advice	The communication sent to the Allottees conveying the details of NCDs allotted to the Allottees in accordance with the Basis of Allotment
"Allotment", "Allot" or Allotted	Unless the context otherwise requires, the allotment of NCDs to the successful Applicants pursuant to the Issue
Allottee(s)	A successful Applicant to whom the NCDs will be/have been allotted
"Applicant" or "Investor"	Any person who applies for issuance of NCDs pursuant to the terms of this Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus(es) and Abridged Prospectus and the Application Form for any Tranche Issue
"Application" or "ASBA Application"	An application (whether physical or electronic) to subscribe to the NCDs offered pursuant to the Issue by submission of a valid Application Form and authorising an SCSB to block the Application Amount in the ASBA Account which will be considered as the application for Allotment in terms of Draft Shelf Prospectus.
Application Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form for the respective Tranche Prospectus(es)
Application Form / ASBA Form	Form in terms of which an Applicant shall make an offer to subscribe to NCDs through the ASBA process and which will be considered as the application for Allotment of NCDs in terms of this Draft Shelf Prospectus, the Shelf Prospectus and relevant Tranche Prospectus(es)
ASBA Account	An account maintained with a SCSB and specified in the Application Form which will be blocked by such SCSB to the extent of the Application Amount mentioned in the Application Form by an ASBA Applicant
Banker(s) to the Issue	Collectively Public Issue Account Bank(s) and Refund Account(s)
Base Issue Size	As may be specified in the relevant Tranche Prospectus for each Tranche Issue
Basis of Allotment	As may be specified in the relevant Tranche Prospectus for each Tranche Issue
Brickwork/BWR	Brickwork Ratings India Private Limited
Broker Centres	Broker centres notified by the Stock Exchange where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Trading Brokers are available on the website of the Stock Exchanges i.e. www.bseindia.com and www.nseindia.com.
Category I (Institutional Investors)	• Public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;

	• Provident funds and pension funds with a minimum corpus of Rs.250 million, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; • Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; • Resident Venture Capital Funds registered with SEBI; • Insurance companies registered with the IRDAI; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than Rs. 5,000 million as per the last audited financial statements; • National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and • Mutual funds registered with SEBI.
Category II (Non Institutional Investors)	• Companies within the meaning of Section 2(20) of the Companies Act, 2013; statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; • Co-operative banks and regional rural banks; • Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; • Partnership firms in the name of the partners; and • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009). • Association of Persons; and • Any other incorporated and/ or unincorporated body of persons
Category III (High Net Worth Individual Investors)	High net-worth individual investors, resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating to above Rs. 10,00,000 across all options of NCDs in this Issue
Category IV (Retail Individual Investors)	Retail individual investors, resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating up to and including Rs. 10,00,000 across all options of NCDs in this Issue
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account
"Collecting Depository Participant" or "CDP"	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications in the Issue, at the Designated CDP Locations
Credit Rating Agencies	Brickwork, CRISIL and ICRA
CRISIL	CRISIL Limited
Debentures / NCDs	A collective reference to Secured NCDs and Unsecured NCDs
Debenture Holder(s)/ NCD Holder(s)	The holders of the NCDs whose name appears in the database of the Depository and/or the register of NCD Holders (if any) maintained by our Company if required under applicable law.
Debenture Trust Deed	Trust deed to be entered into between the Debenture Trustee and our Company
Debenture Trustee/ Trustee	Trustees for the NCD holders in this case being Catalyst Trusteeship Limited
Debenture Trustee Agreement	Agreement dated November 2, 2018 entered into between the Debenture Trustee and the Company wherein the appointment of the Debenture Trustee to the Issue, is agreed as between our Company and the Debenture Trustee
Deemed Date of Allotment	The Deemed Date of Allotment for the NCDs shall be the date on which the Board of Directors or Finance Committee thereof approves the allotment of NCDs or such date as may be determined by the Board of our Company and/or a duly authorized committee thereof and notified to the Stock Exchange. All

	benefits under the NCDs including payment of interest will accrue to the NCD Holders from the Deemed Date of Allotment. The actual allotment of NCDs may take place on a date other than the Deemed Date of Allotment.
Demographic Details	The demographic details of the Applicants such as their respective addresses, email, PAN, investor status, MICR Code and bank account detail
Designated Branches	Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or at such other websites as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the Stock Exchange at www.bseindia.com and www.nseindia.com
Designated Date	The date on which the funds blocked by the SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/or the Refund Account, as appropriate, after finalisation of the Basis of Allotment, in terms of the Shelf Prospectus, relevant Tranche Prospectus following which the NCDs will be Allotted in the Issue
Designated Intermediaries	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com, respectively, as updated from time to time)
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the ASBA Forms to RTAs, a list of which, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the website of the Stock Exchange.
Designated Stock Exchange	The designated stock exchange for the Issue, being the BSE Limited
Direct Online Application	The Application made using the online interface and online payment facility of the Stock Exchange, as applicable. Please note that the Direct Online Application facility will not be available to the Applicants for this Issue. For further details, please see the section titled, "*Issue Procedure*" on page 250 of this Draft Shelf Prospectus.
Draft Shelf Prospectus	This draft shelf prospectus dated November 23, 2018 filed with the Designated Stock Exchange for receiving public comments and with, SEBI in accordance with the provisions of the Companies Act, 2013 and the SEBI Debt Regulations
Interest / Coupon Payment Date	As specified in relevant Tranche Prospectus
ICRA	ICRA Limited
IIFL Holdings	IIFL Holdings Limited
Issue	Public issue by the Company of secured redeemable non-convertible debentures of face value of Rs.1000 each and unsecured redeemable non-convertible debentures of the face value Rs.1000 each at par for an amount aggregating up to Rs.50,000 million
Issue Agreement	The Issue Agreement dated November 22, 2018 entered between the Company and the Lead Managers
Issue Closing Date	Issue closing date as specified in the relevant Tranche Prospectus for the relevant Tranche Issue
Issue Opening Date	Issue Opening Date as specified in the relevant Tranche Prospectus for the relevant Tranche Issue
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days, during which prospective Applicants can submit their Application Forms
Lead Brokers	As specified in the relevant Tranche Prospectus
Lead Broker Agreement	As specified in the relevant Tranche Prospectus
Lead Managers	Edelweiss Financial Services Limited, IIFL Holdings Limited, ICICI Securities Limited, Trust Investment Advisors Private Limited.

Market Lot	1 (One) NCD
Maturity Amount or Redemption Amount	In respect of NCDs Allotted to a NCD holder, repayment of the face value of the NCDs along with interest that may have accrued as on the Redemption Date
"Maturity Date" or "Redemption Date"	As specified under relevant Tranche Prospectus(es)
Members of the Syndicate	Members of Syndicate include Lead Managers, Lead Brokers to the Issue
Offer Document(s)	This Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus, the Abridged Prospectus and/or the Application Form along with supplemental information, if any.
Public Issue Account	A bank account opened with the Bankers to the Issue to receive money from the ASBA Accounts on the Designated Date as specified under relevant Tranche Prospectus
Public Issue Account Agreement	Agreement to be entered into amongst our Company, the Registrar to the Issue, the Public Issue Account Bank, and the Lead Managers for collection of the Application Amounts from ASBA Accounts from the Applicants on the terms and conditions thereof
Public Issue Account Bank	As specified in the relevant Tranche Prospectus
Record Date	The date for payment of interest in connection with the NCDs or repayment of principal in connection therewith which shall be 15 days prior to the date of payment of interest, and/or the date of redemption under the relevant Tranche Prospectus. In case the Record Date falls on a day when the Stock Exchange is having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchange, will be deemed as the Record Date
Refund Account	Account opened with the Refund Bank from which refunds, if any, of the whole or any part of the Application Amount shall be made as specified in the relevant Tranche Prospectus(es)
Refund Bank	The Banker(s) to the Issue with whom the Refund Account will be opened and as specified under relevant Tranche Prospectus(es)
Register of NCD holders	The register of NCD holders maintained by the Issuer in accordance with the provisions of the Companies Act, 2013 and by the Depositories in case of NCDs held in dematerialised form, and/or the register of NCD holders maintained by the Registrar
Registrar Agreement	Agreement dated November 22, 2018 entered into between the Issuer and the Registrar under the terms of which the Registrar has agreed to act as the Registrar to the Issue
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulation, 1992 and the stock exchanges having nationwide terminals, other than Members of the Syndicate and eligible to procure Applications from Applicants
Registrar to the Issue or Registrar	Link Intime India Private Limited
Resident Individual	An individual who is a person resident in India as defined in the FEMA
"Registrar and Share Transfer Agents" or "RTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Application in the Issue
Secured NCDs	Rated, listed, redeemable, non-convertible debentures of a face value of Rs.1000 each and will be secured as per the terms and conditions specified under this Draft Shelf Prospectus.
Security	The principal amount of the Secured NCDs to be issued in terms of the Draft Shelf Prospectus, the Shelf Prospectus and/or the relevant Tranche Prospectus(es) together with all interest due and payable on the Secured NCDs, thereof shall be secured by way of first charge in favour of the Debenture Trustee on an identified immovable property and/or specified future receivables of the Company, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, except those receivables specifically and exclusively charged in favour of certain existing charge holders, such that a security cover of 100% of the outstanding principal amounts of the Secured NCDs and interest thereon is maintained at all time until the Maturity Date, more particularly as detailed in the section titled "*Issue Structure*" on page 232 of this Draft Shelf Prospectus.

	No security will be created for the Unsecured NCDs to be issued in terms of this Issue.
"Self-Certified Syndicate Banks" or "SCSBs"	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI athttp://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Shelf Limit	The aggregate limit of the Issue, being Rs.50,000 million to be issued under this Draft Shelf Prospectus through one or more Tranche Issues.
"Specified Cities" or "Specified Locations"	Bidding centres where Members of the Syndicate shall accept Application Forms from Applicants, a list of which is available on the website of the SEBI athttps://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Stock Exchange(s)	BSE and NSE
Subordinated Debt	Subordinated Debt means a fully paid up instrument, which is unsecured and is subordinated to the claims of other creditors and is free from restrictive clauses and is not redeemable at the instance of the holder or without the consent of the supervisory authority of a non-banking financial company. The book value of such instrument shall be subjected to discounting as provided hereunder: Remaining maturity of the instruments and rate of discount: • up to one year 100%; • more than one year but up to two years 80%; • more than two years but up to three years 60%; • more than three years but up to four years 40%; and • more than four years but up to five years 20% to the extent such discounted value does not exceed fifty per cent of Tier I capital.
Syndicate ASBA Application Locations	Application centres at Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat where the members of the Syndicate shall accept ASBA Applications.
Tenor	Tenor shall mean the tenor of the NCDs as specified in the relevant Tranche Prospectus.
Trading Members	Intermediaries registered with a Lead Broker or a sub-broker under the SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 and/or with the Stock Exchanges under the applicable byelaws, rules, regulations, guidelines, circulars issued by Stock Exchanges from time to time and duly registered with the Stock Exchanges for collection and electronic upload of Application Forms on the electronic application platform provided by Stock Exchanges.
Tranche Issue	Issue of the NCDs pursuant to the respective Tranche Prospectus
Tranche Prospectus(es)	The relevant Tranche Prospectus containing the details of NCDs including interest, other terms and conditions, recent developments, general information, objects, procedure for application, statement of tax benefits, regulatory and statutory disclosures and material contracts, documents for inspection and other terms and conditions in respect of the relevant Tranche Issue
Transaction Documents	Transaction documents shall mean this Draft Shelf Prospectus, the Shelf Prospectus, relevant Tranche Prospectus(es) read with any notices, corrigenda, addenda thereto, Issue Agreement, Registrar Agreement, Debenture Trustee Agreement, Debenture Trust Deed, Tripartite Agreements executed or to be executed by our Company, as the case may be. For further details please see the section titled, "*Material Contracts and Documents for Inspection*" on page 275 of this Draft Shelf Prospectus
Tripartite Agreements	Tripartite Agreement dated December 20, 2007 entered into between our Company, the Registrar to the Issue and NSDL and Tripartite Agreement dated November 28, 2007 entered into between our Company, the Registrar to the Issue and CDSL for offering depository option to the NCD Holders.
Unsecured NCDs	Rated, listed, redeemable, non-convertible debentures of a face value of Rs.1000 each and are not secured by any charge on the assets of IIFL, which

	will be in the nature of Subordinated Debt and will be eligible for Tier II Capital and subordinate to the claims of all other creditors of the Company.
Unsecured Debenture Holder (s) / Unsecured NCD Holder(s)	The holders of the Unsecured NCDs whose name appears in the database of the Depository and/or the register of Unsecured NCD Holders (if any) maintained by our Company if required under applicable law.
Wilful Defaulter	A Person or a company categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and includes a company whose director or promoter is categorized as such.
Working Days	Working Day(s) shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of Stock Exchange excluding Sundays and bank holidays in Mumbai

Conventional and General Terms or Abbreviations

Term/Abbreviation	Description/Full Form
"₹", "Rupees", "Indian Rupees" or "Rs.", "INR"	The lawful currency of the Republic of India
"US$", "USD", and "U.S. Dollars"	The lawful currency of the United States of America
AGM	Annual General Meeting
ALM	Asset Liability Management
ALM Guidelines	Guidelines for ALM system in relation to NBFCs
AMC	Asset Management Company
AS or Accounting Standards	Accounting standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended from time to time
AIF	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 as amended from time to time
ASBA	Application supported by blocked amounts
AUM	Assets Under Management
Bankruptcy Code	The Insolvency and Bankruptcy Code, 2016
BSE	BSE Limited
CAGR	Compounded annual growth rate over a specified period of time of a given value (the year-over-year growth rate)
CARE	CARE Ratings Limited
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Companies Act	The Companies Act, 1956, or the Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956
Companies Act, 2013	Companies Act, 2013, to the extent notified by the MCA and in force as of the date of this Draft Shelf Prospectus and the rules made thereunder
CRAR	Capital to risk-weighted assets ratio means (Tier I Capital + Tier II Capital)/ Total Risk Weighted Assets *100
Depositories	CDSL and NSDL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
"DP" or "Depository Participant"	Depository Participant as defined under the Depositories Act, 1996
DRR	Debenture Redemption Reserve
EGM	Extraordinary General Meeting
FDI	Foreign Direct Investment
FDI Policy	FDI in an Indian company is governed by the provisions of the FEMA read with the FEMA Regulations and the Foreign Direct Investment Policy
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time

FEMA Regulations / FEMA20 (R)	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended from time to time
FII/	Foreign Institutional Investor(s)
FPI	Foreign Portfolio Investor as defined and registered under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
"Financial Year", "Fiscal" or "FY"	Period of 12 months ended March 31 of that particular year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
"Government"	Government of India
G-Sec	Government Securities
HFC	Housing Finance Company
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
IEPF	Investor Education and Protection Fund
IFRS	International Financial Reporting Standards
"Income Tax Act" or "IT Act"	Income Tax Act, 1961
Ind AS	Indian Accounting Standards as referred to in and notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015
India	Republic of India
Indian GAAP	Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounting Standards) Amendment Rules, 2016
IRDAI	Insurance Regulatory and Development Authority of India
IT	Information Technology
ITR	Income Tax Returns
KYC	Know Your Customer
LLP	Limited Liability Partnership
LLP Act	Limited Liability Partnership Act, 2008
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic Ink Character Recognition
MLD	Market Linked Debentures
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House
NHB	National Housing Bank
NHB Act	National Housing Bank Act, 1987
NAV	Net Asset Value
NBFC	Non-Banking Financial Company, as defined under Section 45-IA of the RBI Act
NEFT	National Electronic Fund Transfer
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
PAN	Permanent Account Number
PAT	Profit After Tax
PCR	Provisioning Coverage Ratio
PP MLD	Principal Protected Market Linked Debentures
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RBI Master Directions	Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016
RERA	Real Estate Regulatory Authority
RERAD Act	Real Estate Regulation and Development Act, 2016
RTGS	Real Time Gross Settlement
SARFAESI Act	Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002

SBI	State Bank of India Limited
SCRA	Securities Contracts Regulation Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Debt Securities)Regulations, 2008, as amended and circulars issued thereunder
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)Regulations, 2009 or Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as may be applicable and as amended from time to time
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Merchant Banker Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
TDS	Tax Deducted at Source
Trademarks Act	Indian Trademarks Act, 1999

Technical and Industry Related Terms

Term/Abbreviation	Description/Full Form
BBA	Indian Bullion and Jewellers Association Limited, formerly known as Bombay Bullion Association Limited
Hybrid Debt	A capital instrument, which possesses certain characteristics of equity as well as debt
LTV	Ratio of loan to the collateral value
MFI	Microfinance institutions
NPA	Non-Performing Assets
NBFC-D	NBFC registered as a deposit accepting NBFC
NBFC-MFI	An NBFC-MFI is defined as a non-deposit taking NBFC which extends loans to Micro Finance Sector
NBFC-ND	NBFC registered as a non-deposit accepting NBFC
NBFC-ND-SI	Systemically important NBFC-ND
Owned Funds	Paid-up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account; capital reserve representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of assets; less accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any
Prudential Norms	Prudential norms as provided under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
MSME	Micro, Small and Medium Enterprises
Tier I Capital	Tier I capital means, owned fund as reduced by investment in shares of other NBFCs and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, 10% of the owned fund and perpetual debt instruments issued by a non-deposit taking NBFC in each year to the extent it does not exceed 15% of the aggregate Tier I Capital of such company as on March 31 of the previous accounting year
Tier II Capital	Tier-II capital includes the following: (a) preference shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of 55%;(c) general provisions and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk

	weighted assets; (d) hybrid debt capital instruments; and (e) subordinated debt to the extent the aggregate does not exceed Tier-I capital.

Notwithstanding the foregoing, the terms defined as part of "General Information", "Risk Factors" "Industry Overview", "Regulations and Policies", "Statement of Tax Benefits Available to the Debenture Holders", "Summary of Key Provisions of Articles of Association", "Financial Statements" and "Other Regulatory and Statutory Disclosures" on pages 43, 17, 84, 155, 76, 268, 169 and 221 of this Draft Shelf Prospectus, respectively shall have the meaning ascribed to them as part of the aforementioned sections. Terms not defined as part of the sections "Our Business", "Risk Factors" "Industry Overview" and "Regulations and Policies", on pages 98, 17, 84 and 155 respectively of this Draft Shelf Prospectus, shall have the meaning ascribed to them hereunder.

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in this Draft Shelf Prospectus to "India" are to the Republic of India and its territories and possessions.

Presentation of Financial Information

Our Company publishes its financial statements in Rupees. Our Company's financial statements for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 have been prepared under the historical cost convention on accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles in India (IGAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act 2013 and the relevant provisions of the Companies Act 2013 along with the guidelines/directions issued by Reserve Bank of India ("RBI") as applicable to NBFC's. .

The Reformatted Summary Standalone Financial Statements and the Reformatted Summary Consolidated Financial Statements are included in this Draft Shelf Prospectus and collectively referred to hereinafter as the "**Reformatted Summary Financial Statements**". The examination reports on the Reformatted Summary Financial Statement as issued by our Company's Statutory Auditor, Deloitte Haskins & Sells LLP, are included in this Draft Shelf Prospectus in the section titled "*Financial Statements*" beginning at page 169 of this Draft Shelf Prospectus.

The unaudited standalone financial results of the Company for the half year ended September 30, 2018 submitted by the Company to the Stock Exchange pursuant to the requirements of Regulation 52 of the SEBI LODR Regulations ("**Limited Review Financial Information**") are included in this Draft Shelf Prospectus in the section titled *"Financial Statements"* beginning at page 169 of this Draft Shelf Prospectus.

Unless stated otherwise, the financial data used in this Draft Shelf Prospectus is derived from our Company's audited financial statements as at and for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 prepared in accordance with Indian GAAP, applicable standards and guidance notes specified by the Institute of Chartered Accountants of India, applicable accounting standards prescribed by the Institute of Chartered Accountants of India, Companies Act and other applicable statutory and / or regulatory requirements.

Unless stated otherwise, the financial data used in this Draft Shelf Prospectus as at and for the half year ended September 30, 2018 is prepared in accordance with Ind AS, applicable standards and guidance notes specified by the Institute of Chartered Accountants of India, applicable accounting standards prescribed by the Institute of Chartered Accountants of India, Companies Act and other applicable statutory and / or regulatory requirements. Further, the financial data and numbers used in this Draft Shelf Prospectus are under Ind AS and I GAAP, as specifically mentioned in the Draft Shelf Prospectus and is not strictly comparable.

Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding off.

Unless stated otherwise, macroeconomic and industry data used throughout this Draft Shelf Prospectus has been obtained from publications prepared by providers of industry information, government sources and multilateral institutions. Such publications generally state that the information contained therein has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although the Issuer believes that industry data used in this Draft Shelf Prospectus is reliable, it has not been independently verified. Further, the extent to which the market and industry data presented in this Draft Self Prospectus is meaningful depends on the readers' familiarity with and understanding of methodologies used in compiling such data.

The extent to which the market and industry data used in this Draft Shelf Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. The methodologies and assumptions may vary widely among different industry sources. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Our Company has relied on the "*ICRA Research Services - Indian Retail Non-Banking Finance Market*" dated June, 2018 issued by ICRA for industry related data that has been disclosed in this Draft Shelf Prospectus. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Internal Risk Factor no. 28 – "Certain facts and statistics are derived from publications not independently verified by our Company, the Lead Managers or their respective advisors*" on page no. 17 of this Draft Shelf Prospectus. While we have compiled, extracted and reproduced data from external sources, including third parties, trade, industry or general publications, we accept responsibility for accurately reproducing such data. However, neither we nor the Lead Managers have independently verified this data and neither we nor the Lead Managers make any representation regarding the accuracy of such data. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither we nor the Lead Managers can assure potential investors as to their accuracy.

Currency and Unit of Presentation

In this Draft Shelf Prospectus, references to "₹", "Indian Rupees", "INR", "Rs." and "Rupees" are to the legal currency of India, references to "US$", "USD", and "U.S. dollars" are to the legal currency of the United States of America, as amended from time to time. Except as stated expressly, for the purposes of this Draft Shelf Prospectus, data will be given in Rs. in million.

Certain figures contained in this Draft Shelf Prospectus, including financial information, have been subject to rounding adjustments. Unless set out otherwise, all figures in decimals, including percentage figures, have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

India has decided to adopt the "Convergence of its existing standards with IFRS" referred to as the "Indian Accounting Standards" or "Ind AS". In terms of a notification released by the MCA, our Company is required to prepare its financial statements in accordance with Ind AS for accounting periods beginning on April 1, 2018. Accordingly, our financial statements for the half year ending on September 30, 2018 prepared under Ind AS, may not be comparable.

There are significant differences between Indian GAAP and Ind AS. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Industry and Market Data

Any industry and market data used in this Draft Shelf Prospectus consists of estimates based on data reports compiled by Government bodies, professional organizations and analysts, data from other external sources including ICRA, available in the public domain and knowledge of the markets in which we compete. These publications generally state that the information contained therein has been obtained from publicly available documents from various sources believed to be reliable, but it has not been independently verified by us, its accuracy and completeness is not guaranteed and its reliability cannot be assured. Although we believe that the industry and market data used in this Draft Shelf Prospectus is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for purposes of presentation. Data from these sources may also not be comparable. The

extent to which the industry and market data presented in this Draft Shelf Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

Exchange Rates

The exchange rates (in Rs.) of the USD as for last 5 years are provided below:

Currency	September 30, 2018	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
USD	72.55	65.04	64.84	66.33	62.59	60.09

The exchange rates for the year ended March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 mentioned above are obtained from https://rbi.org.in/scripts/ReferenceRateArchive.aspx and for the half year ended September 30, 2018 is obtained from https://www.fbil.org.in/.

In the event that March 31 of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Draft Shelf Prospectus that are not statements of historical fact constitute "forward-looking statements". Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "may", "objective", "plan", "potential", "project", "pursue", "shall", "seek", "should", "will", "would", or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability, new business and other matters discussed in this Draft Shelf Prospectus that are not historical facts. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results, including our financial conditions and results of operations to differ from our expectations include, but are not limited to, the following:

- Any increase in the levels of non-performing assets ("**NPA**") on our loan portfolio, for any reason; whatsoever, would adversely affect our business and results of operations;
- Any volatility in interest rates which could cause our gross spreads to decline and consequently affect our profitability;
- Unanticipated turbulence in interest rates or other rates or prices;
- Performance of the financial and capital markets in India and globally;
- Changes in the value of Rupee and other currency changes;
- Rate of growth of our Loan Book;
- Changes in Indian and/or foreign laws and regulations, including tax, accounting, banking, securities, insurance and other regulations; changes in competition and the pricing environment in India; and regional or general changes in asset valuations;
- Our inability to sustain growth or manage it effectively;
- Our inability to successfully diversify our portfolio;
- Any disruption in our sources of funding;
- Our inability to obtain or maintain statutory or regulatory approvals and licenses for conducting our business.

For further discussion of factors that could cause our actual results to differ from our expectations, please refer to the section titled "*Risk Factors*" and sections titled "*Industry*", "*Outstanding Litigations and Defaults*" and "*Our Business*" beginning on pages 17, 84, 196 and 98, respectively of this Draft Shelf Prospectus..

All forward-looking statements are subject to risks, uncertainties and assumptions about the Company that could cause actual results and valuations to differ materially from those contemplated by the relevant statement. The forward-looking statements contained in this Draft Shelf Prospectus are based on the beliefs of management, as well as the assumptions made by and information currently available to management. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct or will hold good at all times. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of the Company's underlying assumptions prove to be incorrect, Company's actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to the Company are expressly qualified in their entirety by reference to these cautionary statements.

By their nature, certain market risk disclosures are only estimate(s) and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company, Lead Managers nor any of its Directors and its officers, their respective affiliates or associates have any obligation, or intent to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. For further discussion of the factors that could affect our Company's future financial performance or could cause our actual results to differ from our expectations, see the section titled *"Risk Factors"* beginning on page no. 17 and sections titled *"Industry Overview"* and *"Our Business"* beginning on pages 84 and 98 respectively of this Draft Shelf Prospectus. Our Company and Lead Managers will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange(s).

SECTION II – RISK FACTORS

An investment in this type of security involves a certain degree of risk. The investor should carefully consider all the information contained in this Draft Shelf Prospectus, including the risks and uncertainties described below, before making an investment decision. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risks that may arise in connection with our business or any decision to purchase, own or dispose of the Debentures. Additional risks, which are currently unknown, if materialises, may in the future have a material adverse effect on our business, financial condition and results of operations. The market prices of the NCDs could decline due to such risks and you may lose all or part of your investment.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. This Draft Shelf Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Draft Shelf Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with Reformatted Summary Consolidated Financial Statements and Reformatted Summary Standalone Financial Statements of our Company and our Limited Reviewed Financial Statement, as included in this Draft Shelf Prospectus.

Internal Risks

1. ***Our Company, Directors, Promoter, and group companies are involved in certain legal and other proceedings. Any final judgment awarding material damages against us could have a material adverse impact on our future financial performance and our stockholders'.***

   We or our or their directors or officers, are often involved in litigations (including civil or criminal) for a variety of reasons, which generally arise because we seek to recover our dues from borrowers or because customers seek claims against us. The majority of these cases arise in the normal course of business and we believe, based on the facts of the cases and consultation with counsel, that these cases generally do not involve the risk of a material adverse impact on our financial performance or stockholders' equity. We estimate the probability of losses that may be incurred in connection with legal and regulatory proceedings as of the date on which our standalone and consolidated financial statements are prepared. We recognize a provision when we have a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. We determine the amount of provision based on our estimate of the amount required to settle the obligation at the balance sheet date, supplemented by our experience in similar situations. We review provisions at each balance sheet date and adjust them to reflect current estimates. In cases where the available information indicates that a loss is reasonably possible but the amount of such loss cannot be reasonably estimated, we make a disclosure to this effect in the standalone and consolidated financial statements. In certain instances, present and former employees have instituted legal and other proceedings against us alleging irregularities. When there is only a remote risk of loss, we do not recognize a provision nor do we include a disclosure in the standalone and consolidated financial statements.

   There can be no assurance that a significant portion of these disputes will not be determined against our Company or that our Company will not be required to pay all or a portion of the disputed amounts or that it will be able to recover amounts for which our Company has filed recovery proceedings. In addition, even if our Company is successful in defending such cases, it will be subject to legal and other costs relating to defending such litigation, and such costs may be substantial. Further, there can be no assurance that similar proceedings will not be initiated against our Company in the future.

   For further details in relation to legal proceedings, see the section titled "*Outstanding Litigations and Defaults*" on page 196 of this Draft Shelf Prospectus.

2. ***Our Company's inability to recover the amounts due from customers to whom it has provided secured and unsecured loans in a timely manner, or at all, and its full collateral and its customers' failure to comply with applicable statutory or regulatory requirements in relation to such loans could adversely affect our Company's operations and profitability.***

   Our Company's Loan Book, as on September 30, 2018, is Rs. 153,465.62 million which includes secured loans constituting 83.96 % and unsecured loans constituting 16.04% of our Company's Loan Book. Substantial portion of our Company's Loan Book is secure in nature and the value of collateral that we collect is dependent on various factors, including (i) prevailing market conditions, (ii) the general economic and political conditions in India, (iii)

growth real estate sector in India and the areas in which our Company operates, and (iv) any change in statutory and/or regulatory requirements. We maintain loan-to-value on the basis of the products being offered and product specific LTVs vary from case to case. In the event our borrowers default on the repayment of loans, we may not be able to realize the full value of the collateral due to various reasons, including a possible decline in the realizable value of the collateral, defective title as security, prolonged legal proceedings, unavailability of a ready market and fraudulent actions by borrowers, or we may not be able to foreclose on collateral at all. Further, certain kinds of loans that are advanced by us are not secured by any assets. In India, foreclosure on collateral may be subject to delays and administrative requirements that may result, or be accompanied by, a decrease in the value of the collateral. Foreclosure on collateral generally requires a written petition to an Indian court or tribunal, any proceedings brought may be subject to delays and administrative requirements that may result in, or be accompanied by, a decrease in the value of the collateral.

A decline in the value of the security could impair our ability to realize the secured assets upon any foreclosure, which may require us to increase our provision for loan losses. In the event of a default with respect to any of these loans, the amounts we receive upon sale of the secured assets may be insufficient to recover the outstanding principal and interest on the loan. If we are required to re-value the assets securing a loan to satisfy the debt during a period of reduced asset values or to increase our allowance for loan losses, our profitability could be adversely affected, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

The remaining portion of the Company's Loan Book is unsecured and in the event of defaults by such customers, our Company's ability to realise the amounts due to it from the loans would be restricted to initiating legal proceedings for recovery as our Company will not have the benefit of enforcing any security interest. There can be no guarantee as to the length of time it could take to conclude such legal proceedings or for the legal proceedings to result in a favourable decision for our Company.

3. ***We are subjected to supervision and regulation by the RBI as a systemically important NBFC, and changes in RBI's regulations governing us could adversely affect our business.***

Being an NBFC, the operations of the Company are subject to various regulations prescribed by the RBI and other statutory authorities including regulations relating to foreign investment in India. Pursuant to the revised regulatory framework for NBFCs issued by RBI being the Reserve Bank Directions, 2016 read with RBI circular DNBR (PD) CC.No.002/03.10.001/2014-15 November 10, 2014 and DNBR (PD) CC.No.024/03.10.001/2014-15 dated March 27, 2015 as amended from time to time, the Company has been classified as a Systemically Important Non Deposit Accepting NBFC. Compliance with many of the regulations applicable to the Company across jurisdictions including any restrictions on investments and other activities currently being carried out by the Company involve a number of risks, particularly in areas where applicable regulations may be subject to varying interpretations. If the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and the business of the Company could be adversely affected. Further, the RBI's may amend regulations/ guidelines applicable to NBFCs in future which may require us to restructure our activities, incur additional cost or could otherwise adversely affect our business and our financial performance.

We work in a regulated environment and we cannot predict any restrictions that may be placed by the regulator with respect to interest that is to be charged to our customers in future. There can be no assurance that any changes in the laws and regulations relative to the Indian financial services industry will not adversely impact our business.

4. ***As an NBFC, non-compliance with the RBI's observations made during its periodic inspections could expose us to penalties and restrictions.***

Inspection by the RBI is a regular exercise and is carried out periodically by the RBI for all NBFCs registered with it under the RBI Act. Our Company, being an NBFC-ND-SI, is subject to periodic inspection by the RBI under the provisions of the RBI Act, 1934 (the "RBI Act"), pursuant to which the RBI inspects the books of accounts of our Company and other records. The RBI in its earlier inspection report for the fiscal year ended March 31, 2017 made certain observations during the inspection which, among other things, were related with UCIDs, reconciliation of excess money recovered etc, and sought for certain information and clarifications. Our Company, vide its letters, has responded to the RBI concerning its observations and has provided information and clarifications sought by the RBI. The observations were pursuant to routine inspections of the RBI. Further, the RBI has conducted in its normal course the annual onsite inspection for the fiscal year ended March 31, 2018 and the final report from RBI is awaited. Any adverse action taken by the RBI pursuant to such inspections, or non-compliance by our Company with the RBI's observations, could materially and adversely affect our Company's business and operations.

5. ***High levels of customer defaults and the resultant non-performing assets could adversely affect our Company's business, financial condition, results of operations and future financial performance.***

Our Company's business involves lending money and accordingly, our Company is subject to risks of customer default which includes default or delays in repayment of principal and/or interest on the loans our Company provides to its customers. Customers may default on their obligations as a result of various factors, including certain external factors which may not be within our Company's control such as developments in the Indian economy and the real estate market, movements in global markets, changes in interest rates and changes in regulations. Customers could also be adversely affected by factors such as, bankruptcy, lack of liquidity, lack of business and operational failure. If customers fail to repay loans in a timely manner or at all, our Company's financial condition and results of operations will be adversely impacted. To the extent our Company is not able to successfully manage the risks associated with lending to these customers, it may become difficult for our Company to make recoveries on these loans. In addition, our Company may experience higher delinquency rates due to prolonged adverse economic conditions or a sharp increase in interest rates. An increase in delinquency rates could result in a reduction in our Company's total interest income (i.e., our Company's accrued interest income from loans, including any interest income from credit substitutes) and as a result, lower revenue from its operations, while increasing costs as a result of the increased expenses required to service and collect delinquent loans, and make loan loss provisions as per applicable laws. Our Company may also be required to make additional provisions in respect of loans to such customers in accordance with applicable regulations and, in certain cases, may be required to write-off such loans.

6. ***Our financial performances are particularly vulnerable to interest rate risk and volatility in interest rates could adversely affect our net interest margin, the value of our fixed income portfolio, our income from treasury operations, the quality of our loan portfolio and our financial performance.***

Our Company's financial performance is substantially dependent upon the level of its net interest margins. As at September 30, 2018 and as at March 31, 2018, 2017 and 2016, on a standalone basis, our Loan Book stood at Rs.153,465.62 million, Rs.151,590.54 million, Rs.109,437.98 million and Rs.124,852.09 million, respectively and our assets under management were Rs.181,302.67 million, Rs.160,662.80 million, Rs. 122,726.39 million and Rs.139,745.12 million, respectively.

For the half year ended September 30, 2018 our revenue from operations on a standalone basis was Rs. 14,446.99 million and for the fiscal years ended March 31, 2018, 2017 and 2016, our revenue from operations was Rs.24,991.01 million, Rs.22,636.98 million and Rs.21,767.66 million, respectively, whereas our profit after tax was Rs.2,159.33 million, Rs.3,544.97 million, and Rs.3,427.28 million and Rs.2,717.32 million respectively.

As a result of certain reserve requirements of the Reserve Bank of India applicable to non-banking financial companies, we are structurally exposed to interest rate risk than other corporates. These requirements result in our maintaining a portfolio of fixed income government of India securities, and we could be materially adversely impacted by a rise in interest rates, especially if the rise were sudden or sharp. Realized and marked-to-market gains or losses on investments in fixed income securities, including government of India securities, are an important element of our profitability and are impacted by movements in market yields. If the yield on our interest-earning assets does not increase at the same time or to the same extent as our cost of funds, or if our cost of funds does not decline at the same time or to the same extent as the decrease in yield on our interest-earning assets, our net interest income and net interest margin would be adversely impacted. Further, any tightening of liquidity and volatility in markets may limit our access to capital markets and result in an increase in our cost of funding. Continued volatility in international markets could also constrain and increase the cost of our borrowings and our ability to replace maturing borrowings and fund new assets.

Furthermore, we are also exposed to interest rate risks as a result of lending to customers at fixed/ floating interest rates and in amounts and for periods which may differ from our funding sources. While we seek to match our interest rate positions to minimise interest rate risk, we are unable to assure you that significant variation in interest rates will not have an effect on our results of operations. Moreover, volatility in interest rates is sensitive to factors which are beyond our control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other such considerations. In a rising interest rate environment, if the yield on our interest-earning assets does not increase simultaneously with or to the same extent as our cost of funds, or, in a declining interest rate environment, if our cost of funds does not decline simultaneously or to the same extent as the yield on our interest-earning assets, our net interest income and net interest margin would be adversely impacted and the same would adversely affect our business and results of operations.

7. ***We may not be able to successfully sustain our growth plans.***

In recent years, we have experienced steady growth. Our growth plan includes growing our secured lending and expanding our retails customer base through strategic business alliances and marketing initiatives, expanding and diversifying our loan product portfolio, growing our operations and network across the country and expanding our customer base across various business verticals in India. However, there can be no assurance that we will be able to sustain our growth plan successfully or that we will be able to expand further or diversify our product portfolio. If we grow our Loan Book too rapidly or fail to make proper assessments of credit risks associated with new borrowers, a higher percentage of our loans may become non-performing, which would have a negative impact on the quality of our assets and our financial condition.

We also face a number of operational risks in executing our growth strategy. Our Company has experienced growth in our mortgage loans and gold loans businesses; our branch network has expanded significantly as part of our growth strategy. Our rapid growth exposes us to a wide range of increased risks, including business and operational risks, such as the possibility of growth of NPAs, fraud risks and regulatory and legal risks.

Our ability to sustain our rate of growth also significantly depends upon our ability to recruit trained and efficient personnel and retain key managerial personnel, maintain effective risk management policies, continuing to offer products which are relevant to our target base of clients, developing managerial experience to address emerging challenges and ensuring a high standard of client service. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train our employees properly may result in an increase in employee attrition rates, erode the quality of customer service, divert management resources, increase our exposure to high-risk credit and impose significant costs on us.

Further, a principal component of our strategy is to continue to grow by expanding the size and geographical scope of our businesses, as well as the development of our business streams viz. mortgage loans, construction and real estate finance, small & medium enterprise loans, gold loans, microfinance and home Loans. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

8. ***Our business requires substantial capital, and any disruption in funding sources would have a material adverse effect on our liquidity and financial condition.***

Our Company's liquidity and ongoing profitability are, to a large extent, dependent upon its timely access to, and the costs associated with, raising capital. Our funding requirements historically have been met from various sources, including shareholder funding, term loans, working capital limits from banks, issuance of commercial papers and non-convertible debentures, cash credit facilities from banks and inter-corporate deposits. Thus, our Company's business growth, liquidity and profitability depends and will continue to depend on its ability to access diversified, relatively stable and low-cost funding sources as well as our Company's financial performance, capital adequacy levels, credit ratings and relationships with lenders. Any adverse developments or changes in applicable laws and regulations which limit our Company's ability to raise funds through issuance of non-convertible debentures can disrupt its sources of funding and as a consequence, could have a material adverse effect on our Company's liquidity and financial condition.

Our Company's ability to borrow funds and refinance existing debt may also be affected by a variety of factors, including liquidity in the markets, the strength of the lenders from which our Company borrows, the amount of eligible collateral and accounting changes that may impact calculations of covenants in our Company's financing agreements. An event of default, a significant negative ratings action by a rating agency, an adverse action by a regulatory authority or a general deterioration in prevailing economic conditions that constricts the availability of credit may increase our Company's cost of funds and make it difficult for our Company to access financing in a cost-effective manner. A disruption in sources of funds or increase in cost of funds as a result of any of these factors may have a material adverse effect on our Company's liquidity and financial condition

9. ***Our ability to borrow from various banks may be restricted on account of guidelines issued by the RBI imposing restrictions on banks in relation to their exposure to NBFCs.***

In terms of RBI Master Circular RBI/2015-16/ 70 DBR. No. Dir. BC.12/ 13.03.00/ 2015-16 dated July 1, 2015

on Exposure norms, the exposure (both lending and investment, including off balance sheet exposures) of a bank to a single NBFC should not exceed 10%, of the bank's capital funds as per its last audited balance sheet. Banks may, however, assume exposures on a single NBFC up to 15%, of their capital funds provided the exposure in excess of 10%, is on account of funds on-lent by the NBFC to the infrastructure sector. Further, banks may also consider fixing internal limits for their aggregate exposure to all NBFCs put together.

Any similar notifications released by the RBI in the future, may restrict our ability to borrow from Banks and thereby increasing the cost of our borrowing, which has a similar impact on our business could affect our growth, margins and business operations. However, it is to be noted that, the exposure limit of banks to a single NBFCs which do not finance infrastructure sector has been increased up to December 31, 2018 by the RBI vide RBI Circular RBI/2018-19/62DBR.BP.BC.No.05/21.04.098/2018-19 dated October 19, 2018 from 10 percent to 15 percent of bank's capital funds.

10. ***Our Company's inability to obtain, renew or maintain the statutory and regulatory permits and approvals which are required to operate its existing or future businesses may have a material adverse effect on its business, financial condition and results of operations.***

NBFCs in India are subject to regulations and supervision by the RBI. In addition to the numerous conditions required for the registration as an NBFC with the RBI, our Company is also required to comply with certain other regulatory requirements for its business imposed by the RBI. In the future, there could be circumstances where our Company may be required to renew applicable permits and approvals, including its registration as an NBFC-ND-SI and obtain new permits and approvals for its current and any proposed operations or in the event of a change in applicable law and regulations. There can be no assurance that RBI or other relevant authorities will issue any such permits or approvals in the timeframe anticipated by our Company, or at all. Failure by our Company to renew, maintain or obtain the required permits or approvals may result in an interruption of its operations and may have a material adverse effect on its business, financial condition and results of operation. In addition, our branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishment laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. If we fail to comply, or a regulator claims we have not complied, with any of these conditions, our certificate of registration may be suspended or cancelled and we shall not be able to carry on such activities.

11. ***Our Company's business is dependent on relationships established through its branches with its clients. Any events that harm these relationships including closure of branches or the loss of our Company's key personnel or employees may lead to a decline in our Company's revenue and profits. Further, our Company's results of operations could be adversely affected in the event of any disputes with its employees.***

Our Company's business is dependent on the key personnel and employees who directly manage client relationships. Our Company encourages dedicated personnel to service specific clients since our Company believes that this leads to long-term client relationships, a trust based business environment and over time, better cross-selling opportunities. While no key personnel or employees contribute a significant percentage of the business, the business may suffer materially if a substantial number of them either becomes ineffective or leaves the organisation. As a result, there may be an adverse effect on our Company's business and profits. While our Company believes that our Company maintains good relationships with its employees, there can be no assurance that our Company will not experience future disruptions to its operations due to disputes or other problems with its work force which may adversely affect our Company's business and results of operations.

12. ***As on March 31, 2018, our top 20 borrowers represented 17.22% of our total advances. Our inability to maintain relationships with these customers or any payment default by or credit losses of these customers could materially and adversely affect our business, future financial performance and results of operations.***

As on March 31, 2018, our top 20 borrowers accounted for 17.22% of our total advances on a standalone basis. Our business and results of operations will be adversely affected if we are unable to maintain or further develop relationships with such significant customers. There can be no assurance that we will be able to maintain the historic levels of business from such significant customers. Further, in the event we lose any such significant customer, we cannot assure that we will be able to replace them, which could have a material adverse effect on our results of operations. Our business and results of operations depend upon the timely repayment of the interest and principal from our significant customers. We cannot assure you that we will not experience delays in servicing of the loan advanced or that we will be able to recover the interest and the principal amount of the loan. Any such delay or default will adversely affect our income from operations and consequently, our profitability. In case we

are unable to recover the full amount of principal and interest or any part of thereof, and the collateral is not sufficient to recover the full amount, our financial condition may be adversely affected.

13. ***The value of our collateral may decrease or we may experience delays in enforcing our collateral when borrowers default on their obligations to us which may result in failure to recover the expected value of collateral security exposing us to a potential loss.***

A substantial portion of our loans to our customers is secured by collateral. Changes in asset prices may cause the value of our collateral to decline, and we may not be able to realize the full value of our collateral as a result of delays in bankruptcy and foreclosure proceedings, delays in the creation of security interests, defects or deficiencies in the perfection of collateral (including due to inability to obtain approvals that may be required from various persons, agencies or authorities), fraudulent transfers by borrowers and other factors, including depreciation in the value of the collateral and illiquid market for disposal of and volatility in the market prices for the collateral, current legislative provisions or changes thereto and past or future judicial pronouncements. Foreclosure on collateral consisting of property can be undertaken directly by lenders by fulfilling certain procedures and requirements (unless challenged in courts of law) or otherwise by a written petition to an Indian court or tribunal. An application, when made (or a legal challenge to the foreclosure undertaken directly), may be subject to delays or administrative requirements that may result in, or be accompanied by, a decrease in the value of collateral. These delays can last for several days and might lead to deterioration in the physical condition or market value of the collateral.

Delays in recovery, bankruptcy and foreclosure proceedings, defects in the title and delays in obtaining regulatory approvals for the enforcement of such collaterals may affect the valuation of the collateral. As a result, our Company may not be able to recover the full value of the collateral for the loans provided by it within the expected timeframe or at all. Further, legal proceedings may have to be initiated by our Company in order to recover overdue payments on loans and as a consequence, the money and time spent on initiating legal proceedings may adversely affect our Company's cash flow.

The value of the security provided by the borrowers to our Company may be subject to a reduction in value on account of various reasons. While our Company's customers may provide alternative security to cover the shortfall, the realisable value of the security for the loans provided by our Company in the event of a liquidation may continue to be lower than the combined amount of the outstanding principal amount, interest and other amounts recoverable from the customers.

Any default in the repayment of the outstanding credit obligations by our Company's customers may expose it to losses. A failure or delay to recover the loan value from sale of collateral security could expose our Company to potential losses. Any such losses could adversely affect our Company's financial condition and results of operations. Furthermore, the process of litigation to enforce our Company's legal rights against defaulting customers in India is generally a slow and potentially expensive process.

Similarly, in case of loan against securities, the value of collateral may be extremely volatile and in default scenario might not yield results same as per book value. A failure to recover the expected value of collateral security could expose us to a potential loss. Any such losses could adversely affect our financial condition and results of operations.

Further, the security for our MSME loans are usually movable assets, making it difficult to locate or seize in the event of any default by our customers. There can also be no assurance that we will be able to sell such collaterals at prices sufficient to cover the amounts under default. In addition, there may be delays associated with seizure and disposal of such collaterals, including litigations and court proceedings which is generally a slow and potentially expensive process in India. A failure or delay to recover the expected value from sale of collateral security could expose us to a potential loss. Any such losses could adversely affect our financial condition and results of operations. Accordingly, it may be difficult for us to recover amounts owed by defaulting customers in a timely manner or at all.

Further, in respect of commercial vehicle finance, as a security interest for the financing facilities provided by us to our customers, the vehicles purchased by our customers are hypothecated in our favour. The value of the vehicle, however, is subject to depreciation, deterioration and/or reduction in value on account of other extraneous reasons, over the course of time. Consequently, the realizable value of the collateral for the credit facility provided by us, when liquidated, may be lower than the outstanding loan from such customers. Any default in repayment of the outstanding credit obligations by our customers may expose us to losses. Furthermore, in the case of a default, we may repossess the commercial vehicles financed and sell such vehicles. The hypothecated vehicles,

being movable property, may be difficult to locate or seize in the event of any default by our customers. There can also be no assurance that we will be able to sell such vehicles provided as collateral at prices sufficient to cover the amounts under default. In addition, there may be delays associated with such processes. A failure or delay to recover the expected value from sale of collateral security could expose us to a potential loss. Any such losses could adversely affect our financial condition, results of operations and/or cash flows. Further if we are unable to sell any repossessed vehicles provided as security for such loans at commercially favourable prices, in a timely manner or at all, we may not recover the costs of maintaining such repossessed vehicles and our operations, cash flows and profitability could be adversely affected.

14. ***Any increase in the levels of non-performing assets ("NPA") on our loan portfolio, for any reason whatsoever, would adversely affect our business and results of operations***

Various factors, including a rise in unemployment, prolonged recessionary conditions, our regulators' assessment and review of our loan portfolio, a sharp and sustained rise in interest rates, developments in the Indian economy, movements in global commodity markets and exchange rates and global competition, could cause an increase in the level of our non-performing assets and have a material adverse impact on the quality of our loan portfolio. Consistent with the growth of our branch network and our product portfolio, we expect an increase in our loan assets. Should the overall credit quality of our loan portfolio deteriorate, the current level of our provisions may not be adequate to cover further increases in the amount of our NPAs. Moreover, there also can be no assurance that there will be no further deterioration in our provisioning coverage as a percentage of Gross NPAs or otherwise, or that the percentage of NPAs that we will be able to recover will be similar to our past experience of recoveries of NPAs.

As of September 30, 2018 and September 30, 2017 the gross value of NPAs on a consolidated basis was Rs.6,830.89 million and Rs.4,484.65 million, respectively which is 2.21% and 1.95% , respectively, of our Company's Loan Book. If our provisioning requirements are insufficient to cover our existing or future levels of non-performing loans or other loan losses that may occur, or if future regulation (or change in accounting standards) requires us to increase our provisions, our results of operation and financials may get adversely affected including our ability to raise additional capital and debt funds at favourable terms. Further, if our customers are unable to meet their financial obligation in a timely manner, then it could adversely affect our results of operations. Any negative trends or financial difficulties particularly among our borrowers could increase the level of non-performing assets in our portfolio and adversely affect our business and financial performance. If a significant number of our customers are unable to meet their financial obligations in a timely manner, it may lead to an increase in our level of NPAs. If we are not able to prevent increases in our level of NPAs, our business and our future financial performance could be adversely affected.

15. ***We may be unable to realize the expected value of collateral when borrowers default on their obligations to us, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.***

We follow internal risk management guidelines in relation to portfolio monitoring which, inter alia, include a periodic assessment of loan to security value on the basis of conservative market price levels and ageing analysis, amongst others. However, we may not be able to realize the full value of the collateral as a result of the following (among other factors):

- delays in bankruptcy and foreclosure proceedings;
- defects or deficiencies in the perfection of collateral (including due to inability to obtain any approvals that may be required from third parties);
- destruction / material damage to the underlying property.
- fraud by borrowers;
- errors in assessing the value of the collateral;
- illiquid market for the sale of the collateral; and
- applicable legislative provisions or changes thereto and past or future judicial pronouncements.

As a result of any of the foregoing factors, we may not be able to realize the full value of collateral, which could have an adverse effect on our financial condition, results of operations and cash flows.

16. ***Any non-compliance with mandatory Anti-Money Laundering and Know Your Customer policies could expose us to additional liability and harm our business and reputation.***

In accordance with the requirements applicable to us, we are mandated to comply with Anti-Money Laundering ("**AML**") and Know Your Client ("**KYC**") regulations in India. These laws and regulations require us, among

other things, to adopt and enforce AML and KYC policies and procedures. While we have adopted policies and procedures aimed at collecting and maintaining all AML and KYC related information from our customers in order to detect and prevent the use of our networks for money-laundering activities, there may be instances where we may be used by other parties in attempts to engage in money-laundering and other illegal or improper activities. There can be no assurance that we will be able to fully control instances of any potential or attempted violation by other parties and may, accordingly, be subject to regulatory actions, including imposition of fines and other penalties by the relevant government agencies. Our business and reputation could suffer if any such parties use or attempt to use us for money-laundering or illegal or improper purposes and such attempts are not detected or reported to the appropriate authorities in compliance with applicable regulatory requirements.

17. ***In our housing finance business, we have significant exposure to the real estate sector and any negative trends affecting this sector could adversely affect our business and result of operations.***

In our housing finance business, the primary security for the loans disbursed by the Company is the underlying property; the value of this security is largely dependent on housing market conditions prevalent at that time. The value of the collateral on the loans disbursed by the Company may decline due to adverse market conditions, including an economic downturn or a downward movement in real estate prices. In the event the real estate sector is adversely affected due to a decline of demand for real properties, changes in regulations or other trends or events, which negatively impact the real estate sector, the value of our collaterals may diminish which may affect our business and results of operations.

Failure to recover the expected value of collateral could expose the Company to losses and, in turn, result in a material adverse effect on our business, results of operations and financial condition. Following the introduction of the SARFAESI Act, we are allowed to foreclose on secured property after 60 days' notice to a borrower, whose loan has been classified as non-performing. Although the enactment of the SARFAESI Act has strengthened the rights of creditors by allowing expedited enforcement of security in an event of default, there is still no assurance that we will be able to realize the full value of our collateral, due to, among other things, delays on our part in taking action to secure the property, delays in bankruptcy foreclosure proceedings, stock market downturns, defects in the perfection of collateral and fraudulent transfers by borrowers.

Further, among the various regulatory developments that have impacted the real estate sector recently, we believe that the implementation of the Real Estate Regulation and Development Act, 2016 (RERaD Act) is expected to have the biggest impact over the long term. After notification of certain Sections of the Act with effect from May 2016, the full provisions of the Act became effective from May 2017 onwards. Subsequent to this, the obligations of real estate project developers under the provisions of the Act, including mandatory project registration, enhanced disclosure norms and penal provisions for violation of rules have become effective across India. While most of the state governments have notified rules in relation to RERaD, other states are in the process of doing so.

To ensure compliance with the requirements of the RERaD, companies in the real estate sector may need to allocate additional resources, which may increase compliance and they may face regulatory actions or be required to undertake remedial steps, which may have an adverse effect the business, operations and financial condition of various companies in the sector leading to less than anticipated growth in the housing sector, resulting in adverse effect on our business.

18. ***A significant component of our exposure is towards Mortgage loans and Real Estate sector and any factor affecting this sector could adversely affect our business.***

As of September 30, 2018 on a consolidated basis, we have Assets Under Management aggregating to Rs.217,783.41 million towards mortgage loans which comprises of housing loans of approximately Rs.106,030.26 million, loan against property of Rs.59,323.15 million and developer/corporate loans of Rs.52,430.00 million. This amounts to 59.87% of our loan portfolio. In the event the real estate sector is adversely affected due to any reason whatsoever, the value of our collateral may diminish which may affect our results of operations in the event of a default in repayment by our clients.

19. ***We may not be able to realise the full value of our pledged gold, which exposes us to potential loss.***

In case of loan against gold, we may not be able to realise the full value of our pledged gold, due to, among other things, defects in the quality of gold. We cannot assure you that we will be able to auction such pledged gold jewellery at prices sufficient to cover the amounts under default. Moreover, there may be delays associated with

the auction process. Any failure to recover the expected value of pledged gold could expose us to a potential loss. Any such losses could adversely affect our financial condition, cash flows and results of operations.

20. ***Inaccurate appraisal of pledged gold jewellery by our personnel may adversely affect our business and financial condition.***

The accurate appraisal of pledged gold jewellery is a significant factor in the successful operation of our business and such appraisal requires a skilled and reliable workforce. Inaccurate appraisal of gold by our workforce may result in gold being overvalued and pledged for a loan that is higher in value than the gold's actual value, which could adversely affect our reputation and business.

Further, we are subject to the risk that our gold appraisers may engage in fraud regarding their estimation of the value of pledged gold. Any such inaccuracies or fraud in relation to our appraisal of gold may adversely affect our reputation, business and financial condition.

21. ***Majority of the gold loans we offer are due within one year of disbursement, and a failure to disburse new loans may result in a reduction of our loan portfolio and a corresponding decrease in our interest income.***

All of the gold loans we offer are due within one year of disbursement. The relatively short-term nature of our loans means that our long-term interest income stream is less certain. In addition, our existing customers may not avail new loans from us upon maturity of their existing loans, particularly if competition increases. The potential instability of our interest income could materially and adversely affect our results of operations and financial position.

22. ***Insurance of relevant assets obtained by our borrowers may not be adequate to protect them against all potential losses, which could indirectly affect our ability to recover our loans to such borrowers.***

Pursuant to our loan agreements, where loans are extended on the basis of a charge on assets, our borrowers are required to create a charge on their assets in our favour in the form of hypothecation or mortgage, or both. In addition, the terms and conditions of the loan agreements require our borrowers to maintain insurance against damage caused by any disasters including floods, fires and earthquakes or theft on the assets charged, primarily as collateral against the loan granted by us. However, our borrowers may not have obtained the required insurance coverage, or may not renew the insurance policies, or the amount of insurance coverage may be less than the replacement cost of the relevant assets and therefore insufficient to cover all financial losses that our borrowers may suffer, or at all, resulting in adverse effect on our business and financial condition.

23. ***A rise in the general income level of our customers may adversely affect the demand for our loans.***

The size of our loans portfolios is dependent upon the demand for loans in India, which is inversely related to the general income level of our customers. A rise in the general income level in India could make our loans unattractive to some customers due to their having increased disposable income, making them less reliant on loans. Such a shift in income levels could lower our interest income, which could in turn adversely affect our business, financial condition, cash flows and results of operations.

24. ***The operations of our commercial vehicle finance segment may be adversely affected by adverse developments in this sector.***

Our business is entirely dependent on various factors that impact this customer segment such as the demand for transportation services in India, changes in Indian regulations and policies affecting pre-owned commercial vehicles, natural disasters and calamities, and the macroeconomic environment in India and globally. In addition, individual borrowers, first time borrowers and small road time operators are generally less financially resilient than larger corporate borrowers or fleet owners, and as a result, can be more adversely affected by declining economic conditions. Such factors may result in a decline in the sales or value of commercial vehicles. Therefore, the demand for finance for commercial vehicles may decline, which in turn may adversely affect our financial condition, the results of our operations and/or cash flows. In addition, the ability of commercial vehicle owners and/or operators to perform their obligations under existing financing agreements may be adversely affected if their businesses suffer as a result of the aforesaid factors. Any factor which adversely impacts our customer segment may have a disproportionate impact on our operations, profitability and/or cash flows.

25. ***We may not be able to appropriately assess the credit worthiness of our customers before extending credit facilities to them. Unavailability of adequate information or inaccurate and/or incomplete information provided by our customers may adversely affect our operations and profitability.***

In deciding whether to extend credit or enter into other transactions with customers and counterparties, we may rely on information furnished to us by or on behalf of customers and counterparties, including financial statements and other financial information. We may also rely on certain representations as to the accuracy and completeness of that information and, with respect to financial statements, on reports of independent auditors. For example, in deciding whether to extend credit, we may assume that a customer's audited financial statements conform to generally accepted accounting principles and present fairly, in all material respects, the financial condition, results of operations and cash flows of the customer. Our financial condition and results of operations could be negatively affected by relying on financial statements that do not comply with generally accepted accounting principles or other information that is materially misleading. In addition, we may not be able to place a reliance on credit bureaus to assess credit worthiness of all our segment borrowers. This may affect the quality of information available to us about the credit history of our borrowers, especially individuals and small businesses. As a result, our ability to effectively manage our credit risk may be adversely affected.

Moreover, we have implemented KYC norms and other measures, to prevent money laundering. In the event of ineffectiveness of these norms and systems, our reputation, business and results of operations may be adversely affected.

26. ***The new Bankruptcy Code in India may affect our rights to recover loans from borrowers***.

The Bankruptcy Code was notified on August 5, 2016 which was amended by the Insolvency and Bankruptcy Code (Amendment) Act, 2017 and Insolvency and Bankruptcy Code (Second Amendment) Act, 2018. The Bankruptcy Code offers a uniform and comprehensive insolvency legislation encompassing all companies, partnerships and individuals (other than financial firms). It allows creditors to assess the viability of a debtor as a business decision, and agree upon a plan for its revival or a speedy liquidation. The Bankruptcy Code creates a new institutional framework, consisting of a regulator, insolvency professionals, information utilities and adjudicatory mechanisms, to facilitate a formal and time bound insolvency resolution and liquidation process. In case insolvency proceedings are initiated against a debtor to our Company, we may not have complete control over the recovery of amounts due to us. Under the Bankruptcy Code, upon invocation of an insolvency resolution process, a committee of creditors is constituted by the interim resolution professional, wherein each financial creditor is given a voting share proportionate to the debts owed to it. Accordingly, if the provisions of the Bankruptcy Code are invoked against any of the borrowers of our Company, it may affect our Company's ability to recover our loans from the borrowers and enforcement of our Company's rights will be subject to the Bankruptcy Code.

27. ***We may face tax related assessments or regulatory actions.***

The laws and regulations governing the tax liability of our Company could change in the future and any such changes could adversely affect its business and future financial performance by requiring a restructuring of its activities, which may impact its results of operations.

Our Company has filed tax returns with the tax department which are pending for assessment. There is a possibility that the tax department may impose additional tax liability on our Company upon completion of these assessments. Our Company cannot assure you that the tax department will not initiate scrutiny, investigation or regulatory action or reopen assessments for previous years. Any adverse finding by the tax department may have a material adverse effect on our Company's reputation, business, operations and financial conditions.

28. ***Certain facts and statistics are derived from publications not independently verified by our Company, the Lead Managers or their respective advisors.***

The information in the section titled *"Industry Overview"* of this Draft Shelf Prospectus has been derived from the report titled "*"ICRA Research Services - Indian Retail Non-Banking Finance Market dated June, 2018 prepared by ICRA Research Services, a division of ICRA Limited* ", (the "**Report**") provided by ICRA Limited. While our Company has taken reasonable care to ensure that the facts and statistics presented are accurately reproduced from such sources, they have not been independently verified by our Company, the Lead Managers or their respective advisors and, therefore, they make no representation as to the accuracy of such facts and statistics, which may not be consistent with other information compiled within or outside India. Due to possibly flawed or ineffective calculation and collection methods and other problems, the facts and statistics in this Draft Shelf Prospectus may be inaccurate or may not be comparable to facts and statistics produced for other economies

and should not be unduly relied upon. Further, there can be no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere.

29. ***The financing industry is becoming increasingly competitive and our growth will depend on our ability to compete effectively.***

The sector in which we operate is highly competitive and we face significant competition from banks and other NBFCs. Many of our competitors are larger institutions, which may have much larger customer and funding sources, larger branch networks and more capital than we do. Some of our competitors may be more flexible and better-positioned to take advantage of market opportunities. In particular, private banks in India and many of our competitors outside of India may have operational advantages in implementing new technologies and rationalising branches. These competitive pressures affect the industry in which we operate as a whole, and our future success will depend in large part on our ability to respond in an effective and timely manner to these competitive pressures.

In our housing finance and gold loan business, we face increasing competition from commercial banks and other players in the unorganized sector. Interest rate deregulation and other liberalization measures affecting the housing finance industry, together with increased demand for home finance, have also increased our exposure to competition. The demand for housing loans has also increased due to the increase in demand of real estate, stable property prices, higher disposable incomes and increased fiscal incentives for borrowers. The demand for gold loans has also increased due to urgent borrowing or bridge financing requirements and the need for liquidity for assets held in gold and also due to increased awareness among customers of gold loans as a source of quick access to funds. All of these factors have resulted in the housing finance and gold loan industry, including our Company, facing increased competition from other lenders to the retail housing market, including commercial banks. Unlike commercial banks, we do not have access to funding from savings and current deposits of customers. Instead, we are reliant on higher cost loans and debentures for our funding requirements, which may reduce our margins compared to competitors. Our ability to compete effectively with commercial banks will depend, to some extent, on our ability to raise low-cost sources of funding in the future. If we are unable to compete effectively with other participants in the housing finance and gold loan industry, our business, future financial performance and the trading price of the NCD may be adversely affected.

Furthermore, as a result of increased competition in the housing finance and gold loan industry, home loans and gold loans are becoming increasingly standardized and terms such as floating rate interest options for housing loans, lower processing fees, monthly rest periods and no prepayment penalties are becoming increasingly common in India. There can be no assurance that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive housing finance industry. Increasing competition may have an adverse effect on our net interest margin and other income, and if we are unable to compete successfully, the origination of new loans will decline and we may not be able to achieve our growth objectives.

30. ***Any change in control of our Promoter or our Company or any other factor affecting the business and reputation of our Promoter may have a concurrent adverse effect on our Company's reputation, business and results of operations and may correspondingly adversely affect our goodwill, operations and profitability and further our Promoter has significant control in our Company, which will enable them to influence the outcome of matters submitted to shareholders for approval, and their interests may differ from those of other holders of Equity Shares.***

As on September 30, 2018, our Promoter (along with its nominees) holds 84.53% of the paid up equity share capital. If our Promoter ceases to exercise majority control over our Company as a result of any transfer of shares or otherwise, our ability to derive any benefit from the brand name "IIFL" and our goodwill as a part of the IIFL group of companies may be adversely affected, which in turn could adversely affect our business and results of operations. Further, our Promoter has the ability to control our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company's best interest. In addition, for so long as our Promoter continues to exercise significant control over our Company, it may influence the material policies of our Company in a manner that could conflict with the interests of our other shareholders. Our Promoter may have interests that are adverse to the interests of our other shareholders and may take positions with which we or our other shareholders do not agree.

31. ***We are dependent on IIFL group, for our clientele, goodwill that we enjoy in the industry and our brand name and any factor affecting the business and reputation of IIFL group may have a concurrent adverse effect on our business and results of operations.***

We are part of IIFL group and to some extend depend upon it for steady inflow of business. In the event IIFL group's goodwill is impacted the same may have impact on our business and results of operations. We operate in a competitive environment, and we believe that our brand recognition is a significant competitive advantage to us. Any failure to retain our Company name may deprive us of the associated brand equity that we have developed which may have a material adverse effect on our business and operations.

In the event IIFL group is unable to maintain the quality of its services or its goodwill deteriorates, our Company's business and results of operations may be adversely affected. Any disassociation of our Company from the IIFL group and/or our inability to have access to the infrastructure provided by other companies in the IIFL hroup could adversely affect our ability to attract customers and to expand our business, which in turn could adversely affect our goodwill, operations and profitability.

32. ***We are permitted to use the IIFL trademark***  ***, by our Promoter pursuant to the trademark license agreement between our Company and the Promoter. Such right to use the IIFL trademark is subject to the termination based on the terms and conditions of the trademark license agreement and any such termination may result in us being unable to use the IIFL trademark, which could have a material adverse effect on our reputation and business.***

We have been given the right to use the IIFL trademark, owned by our Promoter pursuant to the trademark license agreement entered into between our Company and the Promoter. We have been provided a non-exclusive, non-transferable and royalty-free license to use the trademark. Any termination of the agreement by Promoter may result in us being unable to use this trademark which could have a material adverse effect on our reputation and business. For further details, please see "*History and Main Objects*" on page 119 of this Draft Shelf Prospectus.

33. ***The Company has filed a scheme of arrangement which envisages merger of the Company with IIFL Holdings Limited***

The Board of Directors of the Company at its meeting held on January 31, 2018, has approved the Composite Scheme of Arrangement amongst IIFL Holdings Limited, India Infoline Media and Research Services Limited, IIFL Securities Limited (formerly India Infoline Limited), IIFL Wealth Management Limited, IIFL Distribution Services Limited, and the Company and their respective shareholders, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 ("**Scheme**").

The Scheme, *inter alia*, provides for the following:

i) amalgamation of India Infoline Media and Research Services Limited with the IIFL Holdings Limited;

ii) demerger of the securities business undertaking (*as defined in the Scheme*) of IIFL Holdings Limited into IIFL Securities Limited;

iii) demerger of the wealth business undertaking (*as defined in the Scheme*) of IIFL Holdings Limited into IIFL Wealth Management Limited;

iv) amalgamation of the Company with IIFL Holdings Limited; and

v) transfer of the broking and depository participant business undertaking (*as defined in the Scheme*) of IIFL Wealth Management Limited to its wholly owned subsidiary i.e., IIFL Distribution Services Limited, on a *going-concern* basis.

Post effectiveness of the Scheme:

i) The equity shares of IIFL Securities Limited shall be listed on BSE and NSE, with mirror shareholding with that of the IIFL Holdings Limited;

ii) The equity shares of IIFL Wealth Management Limited shall be listed on BSE and NSE; and

iii) The equity shares of the IIFL Holdings Limited to be issued to the shareholders of the Company, shall be listed on BSE and NSE.

The Scheme has been filed with the Stock Exchanges, SEBI and relevant regulators. The observation letters are received from the Stock Exchanges and SEBI. Further the regulatory approvals from RBI, Dubai Financial Services Authority - Dubai, Monetary Authority of Singapore - Singapore, Financial Conduct Authority – United Kingdom, Financial Industry Regulatory Authority – United States of America, Financial Services Commission - Mauritius and the NHB have been received by the respective companies.

The respective companies have filed applications with the National Company Law Tribunal, Mumbai Bench ("**NCLT**") on October 01, 2018 and the NCLT has directed to convene a meeting of equity shareholders of the respective companies on December 12, 2018. The Board of Directors of our Company, at its meeting held on January 31, 2018, has approved the Scheme. Our Company has filed the application with the RBI and the Pension Fund Regulatory & Development Authority and has received the NOC from RBI.

Refusal by the NCLT to sanction the Scheme and/or rejection on the part of any statutory or regulatory authority to grant necessary authorizations and/or approvals and/or registrations to operationalize the Scheme may adversely affect the operational or business plans envisaged by our Company and our Promoter.

34. ***Our growth will depend on our continued ability to access funds at competitive rates which are dependent on a number of factors including our ability to maintain our credit ratings.***

As we are a "systemically important non-deposit accepting" NBFC and do not have access to deposits, our liquidity and ongoing profitability are primarily dependent upon our timely access to, and the costs associated with raising capital. Our business is significantly dependent on funding from the debt capital markets and commercial borrowings. The demand for such funds is competitive and our ability to obtain funds at competitive rates will depend on various factors including our ability to maintain positive credit ratings. Ratings reflect a rating agency's opinion of our financial strength, operating performance, strategic position, and ability to meet our obligations. In relation to our long-term debt instruments, we currently have long term ratings of "AA" with stable outlook from CRISIL, ICRA and "AA" with positive outlook from CARE and "AA+" with stable outlook from Brickwork. In relation to our short-term debt instruments, we have also received rating of "A1+" from ICRA and CRISIL. Any downgrade of our credit ratings would increase borrowing costs and constrain our access to capital and debt markets and, as a result, would negatively affect our net interest margin and our business. In addition, downgrades of our credit ratings could increase the possibility of additional terms and conditions being added to any additional financing or refinancing arrangements in the future. Any such adverse development could adversely affect our business, financial condition and results of operations.

Our business depends and will continue to depend on our ability to access diversified funding sources. Changes in economic and financial conditions or continuing lack of liquidity in the market could make it difficult for us to access funds at competitive rates. While our borrowing costs have been competitive in the past due to our ability to raise debt products, credit rating and our asset portfolio, in the event we are unable to access funds at an effective cost that is comparable to or lower than our competitors, we may not be able to offer competitive interest rates for our loans. This may adversely impact our business and results of operations.

35. ***We have had negative net cash flows in the past and may have negative cash flows in the future.***

The following table sets forth our cash flow for the years indicated below on a standalone basis:

(Rs. in Million)

Particulars	Fiscal 2018	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014
Net cash (used in)/from operating activities (A)	(34,729.61)	16,927.75	8,537.92	(23,602.15)	(6,309.24)
Net cash (used in)/from investing activities (B)	(1,945.95)	(23,103.52)	3,482.06	(3,559.60)	(629.29)
Net cash (used in)/from from financing activities (C)	29,011.26	11,742.88	(16,077.10)	31,531.69	5,100.42
Net (Decrease) / Increase in cash and cash equivalents (A + B + C)	(7,664.30)	5,567.11	(4,057.12)	4,369.94	(1,838.11)
Cash and cash equivalents					
Cash and cash equivalents as at the end of the year	9,233.29	17,349.29	5,389.28	9,884.29	5,652.44

We cannot assure you that our net cash flows will be positive in the future, for more information on the cash flows of our Company, please refer to the section titled *"Financial Statements"* on page 169 of this Draft Shelf Prospectus.

36. ***We face asset-liability mismatches which could affect our liquidity and consequently may adversely affect our operations and profitability.***

Our Company's funding requirements is met through long-term and medium-term funding sources such as bank loans and non-convertible debentures and our short-term funding requirements are met through working capital demand loans, cash credit, commercial paper and other short term loans. Our Company may face potential liquidity risks due to varying periods over which our Company's assets and liabilities mature. Our Company's inability to obtain additional credit facilities or renew its existing credit facilities in a timely and cost-effective manner to meet its maturing liabilities, or at all, may lead to gaps and mismatches between its assets and liabilities, which in turn may adversely affect our Company's liquidity position, and in turn, its operations and financial performance.

Our liquidity position may be adversely affected and we may be required to pay higher interest rates in order to meet our liquidity requirements in the future, which could have a material adverse effect on our business and financial results.

The following table describes the ALM of our Company as on March 31, 2018

Particulars	Upto 30/31 days	Over 1 monthu pto 2 month	Over 2 months upto 3 months	Over 3 months &upto 6 months	Over 6 months &upto 1 year	Over 1 year &upto 3 year	Over 3 year &upto 5 year	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	7,903.14	7,967.38	7,693.43	18,433.78	32,509.68	47,126.04	7,439.42	6,069.70	135,142.57
Reserves and Surplus	-	-	-	-	-	-	-	32,146.92	32,146.92
Investment	5,702.62	195.69	-	220.47	3,340.50	9,361.96	3,754.48	8,469.21	31,044.93
Borrowings	9,213.98	38,571.87	28,496.58	10,224.04	7,600.22	36,277.92	13,088.37	1,600.00	145,072.98
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

37. ***We extend margin funding loans, or loans against shares, to our clients, and any default by a client coupled with a downturn in the stock markets could result in substantial losses for us.***

We extend, margin funding loans or loans against shares which are secured by liquid, marketable securities at an appropriate or predetermined margin levels. In the event of a volatile stock market or adverse movements in stock prices, the collateral which secures the loans may decrease significantly in value, which might result in losses which our Company may be unable to support. Customers may default on their obligations to us as a result of various factors including bankruptcy, lack of liquidity, lack of business and operational failure. There is little financial information available about the creditworthiness of our customers. It is therefore difficult to carry out precise credit risk analysis on our clients. Although we use a technology-based risk management system and follow strict internal risk management guidelines on portfolio monitoring, which include limits on the amount of margin, the quality of collateral provided by the client and pre-determined margin call thresholds, no assurance can be given that if the financial markets witnessed a significant single-day or general downturn, our financial condition and results of operations would not be adversely affected.

38. ***The MSMEs to which our Company provides loans may not perform as expected and our Company may not be able to control the non-performance of such businesses.***

Our Company provides loans to select growing MSMEs which obtain loans against their assets and profits made by them. Our Company does not manage, operate or control such businesses or entities. Further, our Company has no control over those businesses' functions or operations. As a result, such businesses may make business, financial or management decisions which our Company does not agree or the majority shareholders or the management of such companies may make business, financial or management decisions that may be adverse to, or otherwise act in a manner that does not serve, our Company's best interests. The repayment of the loans extended to such businesses will depend to a significant extent on the specific management team of the relevant borrower entity. The actions taken by the management of our Company's customers may lead to significant losses

and affect their ability to repay our Company's loans. Consequently, this may adversely affect our Company's financial performance.

39. ***We do not own the premises where our branch offices are located and in the event our rights over the properties is not renewed or is revoked or is renewed on terms less favourable to us, our business activities may be disrupted.***

At present we do not own the premises of any of our branch offices. All such non-owned properties are leased or licensed to us. If the owners of these properties do not renew the agreements under which we occupy the premises or only agree to renew such agreements on terms and conditions that are unacceptable to us, or if the owners of such premises withdraw their consent to our occupancy, our operations may suffer a disruption. We may be unable to locate suitable alternate facilities on favorable terms, or at all, and this may have a material adverse effect on our business, results of operations and financial condition.

40. ***We are required to comply with the requirements of certain labour laws which may impose additional costs on us.***

Our employees are required to be registered under the provisions of certain labour laws such as the Employees' State Insurance Act, 1948, the Payment of Gratuity Act, 1972, and the Employees Provident Fund and Miscellaneous Provisions Act, 1952. We are also required to maintain certain records under the provisions of these laws, which add to our costs. If we are subject to penalties under these labour laws or if we do not obtain the requisite approvals, our business, financial condition, cash flows and results of operations may be adversely affected.

41. ***Our results of operations could be adversely affected by any disputes with employees.***

As of September 30, 2018, IIFL including its subsidiaries employed 15,549 full-time employees. Currently, none of our employees are members of any labour union. While we believe that we maintain good relationships with our employees, there can be no assurance that we will not experience future disruptions to our operations due to disputes or other problems with our work force, which may adversely affect our business and results of operations.

42. ***We require several licenses and approvals for our business and in the event we are unable to procure or renew them in time or at all, our business may be adversely affected.***

We require several licenses, approvals and registration in order to undertake our business activities. These registrations include registrations with the RBI as a systemically important non-deposit taking NBFC. We are also required to maintain licenses under various state Shops and Establishment Acts for some of our offices. Failure by us to comply with the terms and conditions to which such permits or approvals are subject, and/or to renew, maintain or obtain the required permits or approvals may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations.

43. ***Our branches are vulnerable to various operational risks, including theft, fraud, burglary and embezzlement by our employees and customers due to high volume of cash and gold jewellery handled by us.***

Our business involves carrying out cash and gold jewellery transactions that expose us to the risk of fraud by employees, agents, customers or third parties, theft, burglary and misappropriation or unauthorised transactions by our employees. Storage of cash and pledged gold jewellery as part of our business entails the risk of theft and resulting loss to our reputation and business. The short tenure of the loans advanced by us and our practice of processing loan repayments within short timelines require us to store pledged gold on our premises at all points in time. With regard to all burglaries, we may not be able to recover the entire amount of the loss suffered and may receive only a partial payment of the insurance claim. While we are insured against the risk of burglary arising from our business, such insurance may not be sufficient to fully cover the losses we suffer. Additionally, our cash in transit policies do not cover theft where an employee is involved, unless such involvement is identified within 48 hours of such thefts. Further, the actual recovery of the insured amount from the insurer requires the undertaking of certain procedures, and any delay in recovery could adversely affect our reputation and results of operation.

Pursuant to the same, while we have strengthened our security policies and procedures, we cannot guarantee that theft will not be committed in the future, which could adversely affect our reputation, business and results of operations. Further, we are exposed to the risk of fraud and other misconduct by employees and customers. While we carefully recruit all of our employees and screen all our employees who are responsible for disbursement of

gold loans and custody of gold, there have in the past been acts of fraud with respect to gold loans and cash related misappropriation committed by our employees.

44. ***Our Company has entered into securitisation agreements to sell certain loans from our outstanding loan portfolio. Our business, financial condition and results of operations could be adversely affected due to some of the restrictions imposed under such agreements or downgrade in the ratings of our securitized debt or if such assignment of loan is held to be unenforceable or due to any change in the regulatory requirements.***

As part of our means of raising and/or managing our funds, we assign or securitise the receivables from our loan portfolio to banks and other institutions. Such assignment or securitization transactions are conducted on the basis of our internal estimates of our funding requirements, which may vary from time to time. As of September 30, 2018 outstanding book value of securitized assets of Rs. 6,729.11 million and assignment of Rs.23,108.75 million on a standalone basis. Our Company has sold and assigned a group of similar loans from our outstanding loan portfolio to financial institutions in return for an upfront fixed consideration. As of September 30, 2018, our outstanding portfolio of securitised loans was Rs. 6,729.11 million on a standalone basis, constituting 3.71% of AUM on a standalone basis. Under such agreements, we have provided credit enhancement through fixed deposits with banks to the purchaser for an amount equal to a percentage of the value of the loans being assigned as per the rating agency to make the pool to AA / AAA rating. If there is any short fall in the scheduled cash flow promised to the investor then credit enhancement will be utilized to that extent.

Further, any change in statutory and/regulatory requirements such as securitisation guidelines issued by RBI in August 2012 in relation to assignments or securitizations by financial institutions, including the requirements prescribed by RBI and the Government of India, could have an adverse impact on our assignment or securitization transactions. Any adverse changes in the policy and/or regulations in connection with securitization of assets by NBFCs and/or new circulars and/or directions issued by the RBI in this regard, affecting NBFCs or the purchasers of assets, would affect the securitization market in general and our ability to securitize and/or assign our assets.

45. ***Our loan portfolio may no longer continue to be classified as priority sector advances by the RBI.***

The RBI currently mandates domestic commercial banks operating in India to maintain an aggregate 40% (38% for foreign banks having less than 20 branches for 2018-19) of adjusted net bank credit or credit equivalent amount of off-balance sheet exposure, whichever is higher as "priority sector advances". These include advances to agriculture, micro and small enterprises, micro enterprises within the micro and small enterprises sector, export credit and advances to weaker sections where the government seeks to encourage flow of credit for developmental reasons. Banks in India that have traditionally been constrained or unable to meet these requirements organically have relied on specialised institutions like us that are better positioned to or exclusively focus on originating such assets through on-lending or purchase of assets or securitised and assigned pools to comply with these targets.

In the event that any part of our loan portfolio is no longer classified as a priority sector advance by the RBI, or if the laws relating to priority sector lending as applicable to the banks undergo a change, our ability to securitise our asset pool will be hampered, which may adversely affect our financial condition, results of operations and/or cash flows.

46. ***A decline in our capital adequacy ratio could restrict our future business growth.***

Pursuant to the revised regulatory framework for NBFCs issued by RBI vide the Reserve Bank Direction, 2016 read with its circular DNBR (PD) CC.No.002/03.10.001/2014-15 dated November 10, 2014 and DNBR (PD) CC.No.024/03.10.001/2014-15 dated March 27, 2015 as amended from time to time, all systemically important non-deposit taking NBFCs have to maintain a minimum capital ratio, consisting of Tier I and Tier II Capital, which shall not be less than 15% of its aggregate risk weighted assets on balance sheet and risk adjusted value of off-balance sheet items and Tier I capital of 10%. On a standalone basis, our capital adequacy ratio computed on the basis of applicable RBI requirements was 18.67% as of September 30, 2018, with Tier I capital comprising 15.50%. If we continue to grow our loan portfolio and asset base, we will be required to raise additional Tier I and Tier II Capital in order to continue to meet applicable capital adequacy ratios with respect to our business. There can be no assurance that we will be able to raise adequate additional capital in the future on terms favourable to us or at all, and this may adversely affect the growth of our business.

47. ***Our Company, including two of our subsidiaries IIFL Home Finance Limited and Samasta Microfinance Limited, are required to prepare financial statements under Ind-AS from April 1, 2018 onwards. Any failure to successfully adopt Ind AS may have an adverse effect on the audit process run by our Company and/or may lead to regulatory action and other legal consequences.***

The MCA modified the "Companies (Indian Accounting Standards) Rules, 2015" on February 16, 2015 ("Ind AS Rules"). The Ind AS Rules provide that the financial statements of the companies to which they apply (as more specifically described below) shall be prepared and audited in accordance with Ind AS. Under the Ind AS Rules, any company may voluntarily implement Ind AS for the accounting period beginning from April 1, 2015. Further, the IAS Rules prescribe that any company having a net worth of more than Rs. 50,000 lakh, and any holding company, subsidiary, joint venture or an associate company of such company, would have to mandatorily adopt Ind AS for the accounting period beginning from April 1, 2016 with comparatives for the period ending March 31, 2016.

These Ind AS Rules were initially not applicable to banking companies, insurance companies and NBFCs/ HFCs. However, MCA published its press release dated January 18, 2016 and laid down the road map for implementation of Ind-AS for scheduled commercial banks, insurance companies and NBFCs/ HFCs (with net worth of Rs. 50,000 lakh or more) from April 1, 2018 onwards. However, as per NHB's circular no. NHB(ND)/DRS/Policy Circular No.89/2017-18 dated June 14, 2018, HFCs are required to follow the extant directions on Prudential Norms, including on asset classification, provisioning etc. issued by the NHB alongwith compliance with the extant provisions of Ind AS.

Given that Ind AS is different in many respects from Indian GAAP under which our financial statements are currently prepared, our financial statements for the period commencing from April 1, 2018 may not be comparable to our historical financial statements. Please refer to the section titled *"Summary of key differences between Ind AS and I GAAP"* on page 171 of this Draft Shelf Prospectus, for further details.

48. ***Our Company may have to comply with stricter regulations and guidelines issued by regulatory authorities in India.***

Our Company is regulated principally by and have reporting obligations to the RBI and our subsidiary is regulated by and have reporting obligations to NHB. Our Company is also subject to the corporate, taxation and other laws in effect in India. In recent years, existing rules and regulations have been modified, new rules and regulations have been enacted and reforms have been implemented which are intended to provide tighter control and more transparency. Moreover new regulations may be passed that restrict our ability to do business.

Our Company cannot assure you that we will not be subject to any adverse regulatory action in the future. Further, these regulations are subject to frequent amendments and depend upon government policy. The costs of compliance may be high, which may affect our profitability. If we are unable to comply with any such regulatory requirements, our business and results of operations may be materially and adversely affected.

49. ***Our contingent liabilities could adversely affect our financial condition.***

As per the Reformatted Summary Consolidated Financial Statements of our Company for year ended March 31, 2018, we had certain contingent liabilities not provided for, amounting to Rs.711.70 million. The contingent liability amounts disclosed in our reformatted summary consolidated financial statements represent estimates and assumptions of our management based on advice received. If, for any reason, these contingent liabilities materialize, it may adversely affect our financial condition. For more details regarding the contingent liabilities please refer to the section titled "*Financial Statements*" on page 169 of this Draft Shelf Prospectus.

50. ***Our Company is subject to certain restrictive covenants in our loan documents, which may restrict our operations and ability to grow and may adversely affect our business.***

There are restrictive covenants in the agreements we have entered into with our lenders. These restrictive covenants require us to maintain certain financial ratios and seek the prior permission of these banks/financial institutions for various activities, including, amongst others, selling, leasing, transferring or otherwise disposing of any part of our business or revenues, effecting any scheme of amalgamation or reconstitution, implementing a new scheme of expansion, taking up an allied line of business or making any amendments to Memorandum and Articles of Association etc. Such restrictive covenants in our loan documents may restrict our operations or ability to expand and may adversely affect our business.

A failure to observe the covenants under our financing arrangements or to obtain necessary consents required thereunder may lead to the termination of our credit facilities, acceleration of all amounts due under such facilities and the enforcement of any security provided. Any acceleration of amounts due under such facilities may also trigger cross default provisions under our other financing agreements. If the obligations under any of our financing documents are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Further, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. Any of these circumstances could adversely affect our business, credit rating and financial condition, cash flows and results of operations.

51. ***We may experience difficulties in expanding our business into new regions and markets in India.***

As part of our growth strategy, we continue to evaluate attractive growth opportunities to expand our business into new regions and markets in India. Factors such as competition, culture, regulatory regimes, business practices and customs and customer requirements in these new markets may differ from those in our current markets, and our experience in our current markets may not be applicable to these new markets. In addition, as we enter new markets and geographical regions, we are likely to compete not only with other banks and financial institutions but also the local unorganised or semi-organised private financiers, who are more familiar with local regulations, business practices and customs, and have stronger relationships with customers.

If we plan to expand our geographical footprint, our business may be exposed to various additional challenges, including: obtaining necessary governmental approvals; identifying and collaborating with local business and partners with whom we may have no previous working relationship; successfully gauging market conditions in local markets with which we have no previous familiarity; attracting potential customers in a market in which we do not have significant experience or visibility; being susceptible to local taxation in additional geographical areas of India; and adapting our marketing strategy and operations to different regions of India in which different languages are spoken. Our inability to expand our current operations may adversely affect our business prospects, financial conditions, results of operations and/or cash flows.

52. ***We face difficulties and incur additional expenses in operating from rural and semi urban areas, where infrastructural facilities are limited.***

A portion of our operations are conducted in rural and semi urban areas. We face certain difficulties in conducting such operations, such as accessing power facilities, transporting people and goods and maintaining profitability at branches in remote areas. We may also face increased costs in implementing security measures and expanding our advertising presence. We cannot assure that such costs will not increase in the future as we expand our network in rural and semi urban areas.

53. ***Our success largely depends on our management team and key personnel and our ability to attract, train and retain such persons. Our inability to attract and retain talented professionals, or the resignation or loss of key management personnel, may have an adverse impact on our business and future financial performance.***

Our ability to sustain our rate of growth depends significantly upon our ability to manage key issues such as selecting and retaining key managerial personnel, developing managerial experience to address emerging challenges and ensuring a high standard of client service. In order to be successful, we must attract, train, motivate and retain highly skilled employees, especially branch managers and product executives. If we cannot hire additional qualified personnel or retain them, our ability to expand our business will be impaired and our revenue could decline. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train and motivate our employees properly may result in an increase in employee attrition rates, require additional hiring, erode the quality of customer service, divert management resources, increase our exposure to high-risk credit and impose significant costs on us. Hiring and retaining qualified and skilled managers are critical to our future, as our business model depends on our credit-appraisal and asset valuation mechanism, which are personnel-driven operations. Moreover, competition for experienced employees can be intense. While we have an incentive structure and an ESOP designed to encourage employee retention, our inability to attract and retain talented professionals, or the resignation or loss of key management personnel, may have an adverse impact on our business and future financial performance.

54. ***Our insurance coverage may not adequately protect us against losses.***

We maintain such insurance coverage that we believe is adequate for our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. We cannot, however, assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

A successful assertion of one or more large claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the imposition of a larger deductible or coinsurance requirement, could adversely affect our business, financial condition and results of operations.

55. ***If we fail to identify, monitor and manage risks and effectively implement our risk management policies, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.***

Our Company has devoted resources to develop our risk management policies and procedures and aim to continue to do so in the future. Please refer to the section titled "*Our Business*" on page 98 of this Draft Shelf Prospectus. Despite this, our policies and procedures to identify, monitor and manage risks may not be fully effective. Some of our risk management systems are not automated and are subject to human error. Some of our methods of managing risks are based upon the use of observed historical market behavior. As a result, these methods may not accurately predict future risk exposures, which could be significantly greater than those indicated by the historical measures.

To the extent any of the instruments and strategies we use to hedge or otherwise manage our exposure to market or credit risk are not effective, we may not be able to mitigate effectively our risk exposures in particular market environments or against particular types of risk. Further, some of our risk management strategies may not be effective in a difficult or less liquid market environment, where other market participants may be attempting to use the same or similar strategies to deal with the difficult market conditions. In such circumstances, it may be difficult for us to reduce our risk positions due to the activity of such other market participants. Other risk management methods depend upon an evaluation of information regarding markets, clients or other matters. This information may not in all cases be accurate, complete, up-to-date or properly evaluated.

Our investment and interest rate risk are dependent upon our ability to properly identify, and mark-to-market changes in the value of financial instruments caused by changes in market prices or rates. Our earnings are dependent upon the effectiveness of our management of changes in credit quality and risk concentrations, the accuracy of our valuation models and our critical accounting estimates and the adequacy of our allowances for loan losses.

If we fail to effectively implement our risk management policies, it could materially and adversely affect our business, financial condition, results of operations and cash flows.

56. ***Our Company is exposed to many operational risks which could materially impact our business and results of operations.***

Our Company is exposed to many types of operational risks. Operational risk can result from a variety of factors, including failure to obtain proper internal authorizations, improperly documented transactions, failure of operational and information security procedures, computer systems, software or equipment, fraud, inadequate training and employee errors. We attempt to mitigate operational risk by maintaining a comprehensive system of internal controls, establishing systems and procedures to monitor transactions, maintaining key back-up procedures, undertaking regular contingency planning and providing employees with continuous training. Any failure to mitigate such risks could adversely affect our business and results of operations.

57. ***Significant fraud, system failure or calamities could adversely impact our business.***

We seek to protect our computer systems and network infrastructure from physical break-ins as well as fraud and system failures. Computer break-ins and power and communication disruptions could affect the security of information stored in and transmitted through our computer systems and network infrastructure. We employ security systems, including firewalls and password encryption, designed to minimize the risk of security breaches.

Although we intend to continue to implement security technology and establish operational procedures to prevent fraud, break-ins, damage and failures, there can be no assurance that these security measures will be adequate. A significant failure of security measures or operational procedures could have a material adverse effect on our business and our future financial performance. Although we take adequate measures to safeguard against system-related and other frauds, there can be no assurance that it would be able to prevent frauds.

We are exposed to many types of operational risks, including the risk of fraud or other misconduct by employees and unauthorized transactions by employees. Although we have been careful in recruiting all our employees, we have in the past been held liable for the fraudulent acts committed by our employees adversely impacting our business. Our reputation could be adversely affected by significant frauds committed by employees, customers or outsiders.

58. ***Inaccurate appraisal of credit may adversely impact our business***

We may be affected by failure of employees to comply with internal procedures and inaccurate appraisal of credit or financial worth of our clients. Inaccurate appraisal of credit may allow a loan sanction which may eventually result in a bad debt on our books of accounts. In the event we are unable to check the risks arising out of such lapses, our business and results of operations may be adversely affected.

59. ***Our Company has entered into number of related party transactions and may continue to enter into related party transactions, which may involve conflict of interest.***

Our Company enters into transactions with the related parties in the ordinary course of business pursuant to the applicable provisions of the Companies Act, 2013. Such transactions may give rise to current or potential conflicts of interest with respect to dealings between us and such related parties. While our Company believes that all related party transactions entered into are conducted on an arms' length basis and in the ordinary course of business, there can be no assurance that it could not have achieved more favourable terms if such transactions had not been entered into with related parties. For further details, please refer to the section titled *"Financial Statements"* on page 169. Additionally, there can be no assurance that any dispute that may arise between our Company and related parties will be resolved in our Company's favour.

60. ***Some of our Directors may have interests in entities, which are in businesses similar to ours and this may result in conflicts of interest with us.***

As on the date of this Draft Shelf Prospectus, some of our Directors are also directors on the board of our related parties. Commercial transactions in the future between us and related parties may result in conflicting interests which could have an adverse effect on our operations. Such factors may have an adverse effect on the results of our operations and financial condition.

61. ***We rely on direct selling agents ("DSAs") to sell our products across the country. These DSAs may not perform their obligations satisfactorily or in compliance with law or may be part of unlawful/unethical behavior which may adversely affect the business and reputation of our Company***

We enter into direct selling arrangements with DSAs for the purpose of marketing and selling our products across India. Although adequate due diligence is conducted before entering into any DSA arrangement with any person, we cannot guarantee that there shall be no disruptions in the provision of their services to our Company or that these DSAs will adhere to their contractual obligations. If there is a disruption in the services of these DSAs, or if the DSAs discontinue their service agreement with us, our business, financial condition and results of operations will be adversely affected. In case of any dispute between our Company and the DSAs, we cannot assure you that the terms of the agreements/arrangements entered into with the DSAs will not be breached, which may result in litigation costs. Such additional cost, in addition to the cost of entering into agreements with other DSAs, may materially and adversely affect our business, financial condition and results of operations. Further, our DSAs or the personnel they employ may be engaged in unethical or unlawful behaviour or they may misrepresent or mis-sell our products and services. Due to this, we may also suffer from reputational and legal risks and these actions may materially and adversely affect our business, financial condition and results of operations.

62. ***Our Promoter has given corporate guarantees in relation to certain facilities provided to us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.***

Our Promoter has have given corporate guarantee aggregating to Rs.22,600 million as on September 30, 2018 in relation to certain facilities provided to us. In the event that any of the guarantees are revoked, the lenders for

such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities or may terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition.

63. *Our Company and its Subsidiaries have availed or may avail of certain loans that are recallable by lenders, at any time.*

Our Company and its subsidiaries have availed or may avail of loans that are repayable on demand at any time by the relevant lenders. Any such unexpected demand for immediate repayment may have a material adverse effect on the business, cash flows and financial condition of the entity against which repayment is sought.

64. *One of our Subsidiaries have incurred losses in the recent past.*

Clara Developers Private Limited which is one of our Subsidiaries has incurred a loss of Rs. 0.02 million for the financial year ended March 31, 2018. There can be no assurance that any of our Subsidiary will not incur losses in future periods or that there will not be an adverse effect on our Company's reputation or business as a result of such losses.

65. *Our ability to raise foreign capital may be constrained by Indian law.*

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted without onerous conditions, or at all. Limitations on raising foreign debt may have an adverse effect on our business, results of operations and financial condition.

66. *A failure or inadequacy in our Company's information technology and telecommunication systems or its inability to adapt to rapid technological changes may adversely affect its business, results of operation and financial condition.*

Our Company's ability to operate and remain competitive depends in part on its ability to maintain and upgrade its information technology systems and infrastructure on a timely and cost-effective basis, including its ability to process a large number of transactions on a daily basis. Our Company's operations also rely on the secure processing, storage and transmission of confidential and other information in its computer systems and networks. Our Company's financial, accounting or other data processing systems and management information systems or its corporate website may fail to operate adequately or become disabled as a result of events that may be beyond its control, including a disruption of electrical or communications services. Further, the information available to and received by our Company's management through its existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in its operations. If any of these systems are disabled or if there are other shortcomings or failures in our Company's internal processes or systems, it may disrupt our Company's business or impact its operational efficiencies, and render it liable to regulatory intervention or damage to its reputation. The occurrence of any such events may adversely affect our Company's business, results of operations and financial condition.

Our Company is dependent on various external vendors for the implementation of certain elements of its operations, including implementing information technology infrastructure and hardware, industry standard commercial off-the-shelf products, networking and back-up support for disaster recovery. Our Company is, therefore, exposed to the risk that external vendors or service providers may be unable to fulfil their contractual obligations to it (or will be subject to the risk of fraud or operational errors by their respective employees) and the risk that their (or their vendors') business continuity and data security systems prove to be inadequate or fail to perform. Failure to perform any of these functions by our Company's external vendors or service providers could materially and adversely affect its business, results of operations and cash flows.

In addition, the future success of our Company's business will depend in part on its ability to respond to technological advances and to emerging financing industry standards and practices on a cost-effective and timely basis. The development and implementation of such technology entails significant technical and business risks. There can be no assurance that our Company will successfully implement new technologies effectively or adapt its technology and systems to meet customer requirements or emerging industry standards. If our Company is unable, for technical, legal, financial or other reasons, to adapt in a timely manner to changing market conditions, customer requirements or technological changes, its financial condition could be adversely affected. Any

technical failures associated with its information technology systems or network infrastructure, including those caused by power failures and other unauthorised tampering, may cause interruptions or delays in our Company's ability to provide services to its customers on a timely basis or at all, and may also result in added costs to address such system failures and/or security breaches, and for information retrieval and verification.

67. *This Draft Shelf Prospectus includes certain unaudited financial information, which has been subjected to limited review, in relation to our Company and its Subsidiaries. Reliance on such information should, accordingly, be limited.*

This Draft Shelf Prospectus includes Limited Review Financial Statement in relation to our Company and its Subsidiaries, for the six months ended September 30, 2018 in respect of which the Auditors have issued their unaudited limited review report dated October 31, 2018. As Limited Review Financial Statement prepared by the Company in accordance with Regulation 52(2) of the SEBI Debt Regulations have been subject only to a limited review. Any reliance by prospective investors on such Limited Review Financial Statement for the six months ended September 30, 2018 should, accordingly, be limited.

68. *Microfinance loans offered by our subsidiary, SML are unsecured and are susceptible to various operational, credit and political risks which may result in increased levels of NPAs, thereby adversely affecting our business, results of operation and financial condition.*

The focus client segment for our micro-loans is women in rural areas. The clients of SML typically have limited sources of income, savings and credit histories and as a result, are usually adversely affected by declining economic conditions. Further, for most of the loans provided by SML, clients do not provide any collateral or security for their borrowings as the RBI has mandated that loans given by NBFC-MFIs should be collateral free for the purpose of "Qualifying Assets". Such clients generally do not have a high level of financial resilience, and, as a result, they can be adversely affected by declining economic conditions and natural calamities. Furthermore, although SML uses credit bureau reports to check certain background information such as the total indebtedness of each potential client and their existing repayment/ default history, the information in such reports may be incomplete or unreliable and accordingly the credit risk analysis we carry out on potential clients may be limited. Further, SML relies primarily on non-traditional guarantee mechanisms rather than any tangible assets such as collateral. Most of its loans involve a joint liability mechanism whereby borrowers form an informal joint liability group and provide joint and several guarantees for loans obtained by each member of the group. Such joint liability arrangements are likely to fail if there is no meaningful personal relationship or bond among members of such group, if there is irregular participation in group meetings, if inadequate risk management procedures have been employed, or as a result of adverse external factors such as natural calamities. As a result, its clients potentially present a higher risk of loss in case of a credit default compared to that of borrowers in other asset-backed financing products. In addition, the microfinance business is susceptible to various political and social risks, including political interference in the working of MFIs at the district, state or national level; adverse publicity or litigation relating to the microfinance sector; public criticism of the microfinance sector; introduction of a stringent regulatory regime; or religious beliefs relating to loans and introduction of a stringent regulatory regime; or religious beliefs relating to loans and interest payments, which adversely affect repayment by its clients and may have an adverse effect on our business prospects and future financial performance.

Due to the underlying profile of the clients of SML, we may, in the future, experience increased levels of non-performing assets and related provisions and write-offs, which would materially and adversely impact our business and results of operations.

69. *Security provided for the Issue may not be enforceable if the security provided for the Issue is classified as 'Assets' under the IT Act and will be void as against any claim in respect of any tax or any other sum payable by our Company.*

We have certain proceedings pending under the IT Act before the Income Tax Authorities. Under section 281 of the IT Act and circular bearing number 04/2011 dated July 19, 2011 Our Company is required to obtain prior consent of the assessing officer to create the security provided for the Issue to the extent classified as assets under section 281 of the IT Act, during the pendency of such proceedings. We are in the process of making an application to the relevant assessing officer seeking such prior consent In the event that such consent is not granted, the security provided for the Issue to the extent classified as 'Assets' under section 281 of the IT Act will be void as against any claim in respect of any tax or any other sum payable by our Company, including as a result of the completion of these proceedings.

External Risk Factors

70. ***Our results of operations have been, and may continue to be, adversely affected by Indian and international financial market and economic conditions.***

Our business is highly dependent on Indian and international markets and economic conditions. Such conditions in India include fluctuations in interest rates; changes in consumer spending; the level of consumer confidence; housing prices; corporate or other scandals that reduce confidence in the financial markets, among others. International markets and economic conditions include the liquidity of global financial markets, the level and volatility of debt and equity prices and interest rates, investor sentiment, inflation, the availability and cost of capital and credit, and the degree to which international economies are expanding or experiencing recessionary pressures. The independent and/or collective fluctuation of these conditions can directly and indirectly affect demand for our lending finance and other financial products, or increase the cost to provide such products. In addition, adverse economic conditions, such as declines in housing values, could lead to an increase in mortgage and other home loan delinquencies and higher write offs, which can adversely affect our earnings.

Global financial markets were and continue to be extremely volatile and were materially and adversely affected by a significant lack of liquidity, decreased confidence in the financial sector, disruptions in the credit markets, reduced business activity, rising unemployment, declining home prices and erosion of consumer confidence. These factors have contributed to and may continue to adversely affect our business, financial condition and results of operations.

71. ***Financial difficulties and other problems in certain financial institutions in India could cause our business to suffer and adversely affect our results of operations.***

We are exposed to the risks of the Indian financial system, which in turn may be affected by financial difficulties and other problems faced by certain Indian financial institutions. Certain Indian financial institutions have experienced difficulties during recent years. Some co-operative banks (which tend to operate in rural sector) have also faced serious financial and liquidity crises. There has been a trend towards consolidation with weaker banks and NBFCs being merged with stronger entities. The problems faced by individual Indian financial institutions and any instability in or difficulties faced by the Indian financial system generally could create adverse market perception about Indian financial institutions, banks and NBFCs. This in turn could adversely affect our business, our future financial performance, our shareholders' funds and the market price of our NCDs.

72. ***Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.***

Terrorist attacks and other acts of violence or war may negatively affect our business and may also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence. In addition, any deterioration in relations between India and its neighbouring countries might result in investor concern about stability in the region, which could adversely affect our business.

India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the market price of our NCDs.

73. ***Natural calamities could have a negative impact on the Indian economy, particularly the agriculture sector, and cause our business to suffer.***

India has experienced natural calamities such as earthquakes, a tsunami, floods and drought in the past few years. The extent and severity of these natural disasters determines their impact on the Indian economy. The erratic progress of the monsoon over the course of past few years affected sowing operations for certain crops. Further, prolonged spells of below normal rainfall or other natural calamities could have a negative impact on the Indian economy thereby, adversely affecting our business.

74. ***Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business.***

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, the interest rates and other commercial terms at

which such additional financing is available. This could have a material adverse affect on our business and financial performance, our ability to raise financing for onward lending and the price of our NCDs.

75. *Instability of economic policies and the political situation in India could adversely affect the fortunes of the industry.*

There is no assurance that the liberalization policies of the Government will continue in the future. Protests against privatization could slow down the pace of liberalization and deregulation. The Government of India plays an important role by regulating the policies and regulations that govern the private sector. The current economic policies of the Government may change at a later date. The pace of economic liberalization could change and specific laws and policies affecting the industry and other policies affecting investments in our Company's business could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our Company's business.

Unstable domestic as well as international political environment could impact the economic performance in the short term as well as the long term. The Government of India has pursued the economic liberalization policies including relaxing restrictions on the private sector over the past several years. The present Government has also announced polices and taken initiatives that support continued economic liberalization.

The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. Our Company's business may be affected not only by changes in interest rates, changes in Government policy, taxation, social and civil unrest but also by other political, economic or other developments in or affecting India.

76. *Companies operating in India are subject to a variety of central and state government taxes and surcharges.*

Tax and other levies imposed by the central and state governments in India that affect our tax liability include: (i) central and state taxes and other levies; (ii) income tax; (iii) goods and services tax; (iv) turnover tax; (v) stamp duty; and (vi) other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the Government has recently implemented the biggest indirect tax over-haul since independence of the country namely – the Goods and Services Tax ("**GST**"). Since the GST is in its nascent stages and continues to evolve, there is bound to be a degree of uncertainty and obfuscation in the indirect tax regime in India which is likely to affect the economy of the country in the near future.

The statutory corporate income tax in India, which includes a surcharge on the tax and an education cess on the tax and the surcharge. The central or state government may in the future increase the corporate income tax it imposes. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect our business and results of operations.

77. *Financial instability in other countries could disrupt our business.*

The Indian market and the Indian economy are influenced by economic and market conditions in other countries. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the economy as a whole, in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause volatility in Indian financial markets and indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India.

In the event that the current difficult conditions in the global credit markets continue or if the recovery is slower than expected or if there any significant financial disruption, this could have an adverse effect on our cost of funding, loan portfolio, business, prospects, results of operations and financial condition.

78. *Trading of the NCDs may be limited by temporary exchange closures, broker defaults, settlement delays, strikes by brokerage firm employees and disputes.*

The Indian stock exchanges have experienced temporary exchange closures, broker defaults, settlement delays and strikes by brokerage firm employees. In addition, the governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time, disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

Risks relating to the Issue and NCDs.

79. ***The NCD Holders may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the NCDs. Failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose the holders to a potential loss.***

Our ability to pay interest accrued on the NCDs and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors, *inter alia*, including our financial condition, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the NCDs and/or the interest accrued thereon in a timely manner or at all. Although our Company will create appropriate security in favour of the Debenture Trustee for the Secured NCD Holders on the assets adequate to ensure 100% asset cover for the Secured NCDs, the realisable value of the assets charged as security, when liquidated, may be lower than the outstanding principal and/or interest accrued thereon in connection with the Secured NCDs. A failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the Secured NCDs could expose you to a potential loss.

80. ***You may be subject to taxes arising on the sale of the NCDs.***

Sale of NCDs by any holder may give rise to tax liability, as discussed in section entitled "*Statement of Tax Benefits*" on page 76 of this Draft Shelf Prospectus.

81. ***If we do not generate adequate profits, we may not be able to maintain an adequate DRR for the NCDs issued pursuant to this Draft Shelf Prospectus, which may have a bearing on the timely redemption of the NCDs by our Company.***

Section 71 of the Companies Act, 2013, read with Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014, requires that any company that intends to issue debentures must create a DRR for the purpose of redemption of debentures, in accordance with the following conditions: (a) the DRR shall be created out of the profits of the company available for payment of dividend, (b) the DRR shall be equivalent to at least 25% of the value of the outstanding debentures, raised through public issue of debentures in accordance with the SEBI Debt Regulations in case of NBFCs registered with the RBI. Accordingly, our Company is required to create a DRR of 25% of the value of the outstanding NCDs issued through the Issue. In addition, as per Rule 18 (7) (e) of Companies (Share Capital and Debentures) Rules, 2014, the amounts credited to DRR shall not be utilised by our Company except for the redemption of the NCDs. Every company required to create or maintain a DRR shall on or before the 30th day of April in each year, deposit or invest, as the case may be, a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March of the next year, following any one or more of the following methods: (a) in deposits with any scheduled bank, free from charge or lien (b) in unencumbered securities of the Central Government or of any State Government; (c) in unencumbered securities mentioned in clauses (a) to (d) and (e) of Section 20 of the Indian Trusts Act, 1882; (d) in unencumbered bonds issued by any other company which is notified under clause (f) of Section 20 of the Indian Trusts Act, 1882. The amount deposited or invested, as the case may be, shall not be utilized for any purpose other than for the repayment of debentures maturing during the year referred to above, provided that the amount remaining deposited or invested, as the case may be, shall not at any time fall below 15% of the amount of debentures maturing during the year ending on the 3lst day of March of that year. This may have a bearing on the timely redemption of the NCDs by our Company.

82. ***There may be no active market for the NCDs on the platform of the Stock Exchanges. As a result, the liquidity and market prices of the NCDs may fail to develop and may accordingly be adversely affected.***

There can be no assurance that an active market for the NCDs will develop. If an active market for the NCDs fails to develop or be sustained, the liquidity and market prices of the NCDs may be adversely affected. The market price of the NCDs would depend on various factors, *inter alia*, including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country, (ii) the market price of our Equity Shares, (iii) the market for listed debt securities, (iv) general economic conditions, and, (v) our financial performance, growth prospects and results of operations. The aforementioned factors may adversely affect the liquidity and market price of the NCDs, which may trade at a discount to the price at which you purchase the NCDs and/or be relatively illiquid.

83. ***There may be a delay in making refund to Applicants.***

We cannot assure you that the monies refundable to you, on account of (i) withdrawal of your Applications, (ii) our failure to receive minimum subscription in connection with the Base Issue, (iii) withdrawal of the Issue, or (iv) failure to obtain the final approval from the Stock Exchange for listing of the NCDs, will be refunded to you in a timely manner. We however, shall refund such monies, with the interest due and payable thereon as prescribed under applicable statutory and/or regulatory provisions.

84. ***In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.***

In the event of bankruptcy, liquidation or winding-up, our Company's assets will be available to pay obligations on the NCDs only after all of those liabilities that rank senior to these NCDs have been paid as per Section 327 of the Companies Act, 2013. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the Secured NCDs.

85. ***The fund requirement and deployment mentioned in the Objects of the Issue have not been appraised by any bank or financial institution***

We intend to use the proceeds of the Issue, after meeting the expenditures of and related to the Issue, for the purpose of onward lending, our various financing activities including lending, for repayment of interest and principal of existing borrowing of the company and our capital expenditure and working capital requirements, subject to applicable statutory and/or regulatory requirements. For further details, see the section "*Issue Related Information*" on page 232 of this Draft Shelf Prospectus. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. The management will have significant flexibility in applying the proceeds received by us from the Issue. The utilization details of the proceeds of the Issue shall be adequately disclosed as per applicable law. Further, as per the provisions of the SEBI Debt Regulations, we are not required to appoint a monitoring agency and therefore no monitoring agency has been appointed for the Issue.

86. ***There is no assurance that the NCDs issued pursuant to this Issue will be listed on Stock Exchanges in a timely manner, or at all.***

In accordance with Indian law and practice, permissions for listing and trading of the NCDs issued pursuant to this Issue will not be granted until after the NCDs have been issued and allotted. Approval for listing and trading will require all relevant documents to be submitted and carrying out of necessary procedures with the stock exchanges. There could be a failure or delay in listing the NCDs on the Stock Exchanges for reasons unforeseen. If permission to deal in and for an official quotation of the NCDs is not granted by the stock exchanges, our Company will forthwith repay, with interest, all monies received from the Applicants in accordance with prevailing law in this context, and pursuant to this Draft Shelf Prospectus. There is no assurance that the NCDs issued pursuant to this Issue will be listed on stock exchanges in a timely manner, or at all.

87. ***There are other lenders and debenture trustees who have pari passu charge over the Security provided.***

There are other lenders and debenture trustees of the Company who have *pari passu* charge over the Security provided for the Issue. While the Company is required to maintain the outstanding amount of the NCDs and interest thereon, upon the Company's bankruptcy, winding-up or liquidation, the other lenders and debenture trustees will rank *pari passu* with the NCD holders and to that extent, may reduce the amounts recoverable by the NCD holders.

SECTION III - INTRODUCTION

GENERAL INFORMATION

Our Company was originally incorporated on July 7, 2004 as a private limited company under the provisions of the Companies Act, 1956, bearing CIN U67120MH2004PTC147365 as India Infoline Investment Services Private Limited. Pursuant to a fresh Certificate of Incorporation granted to our Company dated July 10, 2007 by the RoC, Maharashtra, Mumbai bearing CIN U67120MH2004PLC147365, our Company was converted to a public limited company and the name of our company was changed to India Infoline Investment Services Limited. The name of the Company was further changed to India Infoline Finance Limited pursuant to fresh Certificate of Incorporation dated November 18, 2011 issued by the RoC, Maharashtra, Mumbai.

For details of the business of our Company, see "*Our Business*" beginning on page 98 of this Draft Shelf Prospectus.

NBFC Registration

Our Company holds a certificate of registration dated May 12, 2005 bearing registration no. B-13.01792 issued by the RBI to carry on the activities of a NBFC under Section 45 IA of the RBI Act.

Registration No.: B-13.01792
CIN: U67120MH2004PLC147365
LEI: 335800ISNC5UK9DYDI71

Permanent Account Number:
AABCI2915C

Registered Office:

India Infoline Finance Limited
12A-10, 13th floor, Parinee Crescenzo,
G Block, C-38 and C-39, Bandra Kurla Complex,
Bandra – East, Mumbai- 400051.
Tel.: +91 22 6788 1000
Fax: +91 22 6788 1010
Website: www.iifl.com
Email: governance@iifl.com

For further details regarding changes to our Registered Office, see "*History and Main Objects*" beginning on page 119 of this Draft Shelf Prospectus.

Registrar of Companies, Maharashtra, Mumbai.
100, Everest House
Marine Lines
Mumbai 400 002
Maharashtra, India

Chief Financial Officer:

Prabodh Agrawal
12A-10, 13th floor, Parinee Crescenzo,
G Block, C-38 and C-39, Bandra Kurla Complex,
Bandra – East, Mumbai - 400051
Tel.: +91 22 6788 1000
Fax: +91 22 6788 1010
Email: prabodh@iifl.com

Company Secretary and Compliance Officer:

Gajendra Thakur
12A-10, 13th floor, Parinee Crescenzo,
G Block, C-38 and C-39, Bandra Kurla Complex,
Bandra – East, Mumbai- 400051
Tel.: +91 22 6788 1000
Fax: +91 22 6788 1010
Email: governance@iifl.com

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer in case of any pre-Issue or post-Issue related issues such as non-receipt of Allotment Advice, demat credit of allotted NCDs, refunds, non-receipt of debentures certificates (in case of NCDs which have been re-materialised), transfers, etc. as the case maybe.

All grievances relating to this Issue or any relevant Tranche Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, number of NCDs applied for, amount paid on Application, Depository Participant and the Bidding Centre of the relevant members of the Lead Managers, brokers and sub-brokers appointed in relation to the Issue ("**Syndicate**") where the Application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB, giving full details such as name, address of Applicant, Application Form number, number of NCDs applied for, amount blocked on Application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA Applicant.

All grievances arising out of Applications for the NCDs made through the Online Stock Exchanges Mechanism or through Trading Members of the Stock Exchanges may be addressed directly to the relevant Stock Exchange.

Lead Managers:

Edelweiss Financial Services Limited
Edelweiss House, Off CST Road
Kalina, Mumbai – 400 098
Tel: +91 22 4086 3535
Fax: +91 22 4086 3610
Email: iifl.ncd@edelweissfin.com
Investor Grievance Email: customerservice.mb@edelweissfin.com
Website: www.edelweissfin.com
Contact Person: Lokesh Singhi / Mandeep Singh
Compliance Officer: B. Renganathan
SEBI Registration No.: INM0000010650
CIN: L99999MH1995PLC094641

IIFL Holdings Limited*
10th Floor, IIFL Centre,
Kamala Centre, Senapati Bapat Marg,
Lower Parel (West), Mumbai – 400 013
Tel: +91 22 4646 4600
Fax: +91 22 2493 1073
Email: iifl.ncd2018@iiflcap.com
Investor Grievance Email: ig.ib@iiflcap.com
Website: www.iiflcap.com
Contact Person: Sachin Kapoor / Nishita Mody
Compliance Office: Sourav Roy
SEBI Registration no.: INM000010940
CIN: L74999MH1995PLC093797
**IIFL Holdings Limited is our associate as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended (Merchant Bankers Regulations). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, IIFL Holdings Limited would be involved only in marketing of the Issue.*

ICICI Securities Limited
ICICI Centre, H.T. Parekh Marg,
Churchgate, Mumbai 400 020
Tel: +91 22 2288 2460
Fax: +91 22 2282 6580
E-mail: iifl.ncd@icicisecurities.com
Investor Grievance Email: customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Rupesh Khant / Suyash Jain
Compliance Officer: Sonali Chandak
SEBI Registration No: INM000011179
CIN: L67120MH1995PLC086241

Trust Investment Advisors Private Limited
109/110, Balarama, BKC, Bandra (E), Mumbai – 400 051
Tel.: +91-2240845000
Fax: +91-2240845007
Email: mbd.trust@trustgroup.in
Investor Grievance Email: customercare@trustgroup.in
Website: www.trustgroup.in
Contact Person: Vikram Thirani
Compliance Officer: Ankur Jain
SEBI Registration No: INM000011120
CIN: U67190MH2006PTC162464

Debenture Trustee:

Catalyst Trusteeship Limited (Formerly GDA Trusteeship Limited)
'GDA House' Plot No. 85, Bhusari Colony (Right), Kothrud, Pune - 411038
Tel: 022 - 49220539
Fax: 022 - 49220505
Email: ComplianceCTL-Mumbai@ctltrustee.com
Investor Grievance Email: grievance@ctltrustee.com
Website: www.catalysttrustee.com
Contact Person: Umesh Salvi
SEBI Registration No: IND000000034
CIN: U74999PN1997PLC110262

Catalyst Trusteeship Limited has, pursuant to regulation 4(4) of SEBI Debt Regulations, by its letter dated October 31, 2018 given its consent for its appointment as Debenture Trustee to the Issue (hereinafter referred to as "**Trustees**"). A copy of letter from Catalyst Trusteeship Limited conveying their consent to act as Trustees for the Debenture holders is annexed as *Annexure D* to this Draft Shelf Prospectus.

All the rights and remedies of the Debenture Holders under this Issue shall vest in and shall be exercised by the appointed Debenture Trustee for this Issue without having it referred to the Debenture Holders. All investors under this Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for this Issue to act as their trustee and for doing such acts and signing such documents to carry out their duty in such capacity. Any payment by our Company to the Debenture Holders/Debenture Trustee, as the case maybe, shall, from the time of making such payment, completely and irrevocably discharge our Company from any liability to the Debenture Holders. For details on the terms of the Debenture Trust Deed, please see "*Issue Related Information*" on 231 of this Draft Shelf Prospectus.

For details on the terms of the Debenture Trust Deed see, "*Issue Related Information*" beginning on page 232 of this Draft Shelf Prospectus.

Lead Brokers to the Issue

As specified in respective Tranche Prospectus

Registrar to the Issue

Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai 400 083
Tel.: + 91 22 4918 6200
Fax: + 91 22 4918 6195
Email:iifl.ncd2018@linkintime.co.in
Investor Grievance Email: iifl.ncd2018@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
Compliance Officer: B N Ramakrishnan
SEBI Registration No: INR000004058
CIN: U67190MH1999PTC118368

Link Intime India Private Limited, has by its letter dated October 31, 2018, given its consent for its appointment as Registrar to the Issue and for its name to be included in this Draft Shelf Prospectus, Shelf Prospectus and / or the relevant Tranche Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.

Statutory Auditors

M/s. Deloitte Haskins & Sells LLP
Indiabulls Finance Centre,
Tower 3, 27th-32nd Floor,
Senapati Bapat Marg,
Elphinstone Road (West),
Mumbai – 400 013.
Tel.:+91 22 61854000
Fax:+91 22 61854101
Membership No: 105035
Firm Registration No: 117366W/W-100018

M/s. Deloitte Haskins & Sells LLP has been the statutory auditors of our Company since July 22, 2017.

Credit Rating Agency

CRISIL Limited
CRlSIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai- 400 076
Tel: +91-22-3342 3000
Fax: +91-22-3342 3050
Email: crisilratingdesk@crisil.com
Website: www.crisil.com
Contact Person: Krishnan Sitaraman
SEBI Registration No: IN/CRA/00l/1999
CIN: L67120MH1987PLC042363

Brickwork Ratings India Private Limited
3rd Floor, Raj Alkaa Park, 29/3 & 32/2 Kalena Agahara, Banerghatta Road, Bengaluru - 560076
Tel: +91 8040409940
Fax: +91 8040409941
Email: info@brickworkratings.com
Website: www.brickworkratings.com
Contact Person: K.N. Suvarna
SEBI Registration No: IN/CRA/005/2008
CIN: U67190KA2007PTC043591

ICRA Limited
Electric Mansion, 3rd Floor, Appasaheb Marathe Marg,
Prabhadevi, Mumbai – 400025
Tel: +91-22-61143406
Fax: +91-22-24331390
Email: shivakumar@icraindia.com
Website: www.icra.com
Contact Person: L. Shivakumar
SEBI Registration IN/CRA/008/2015
CIN: L74999DL1991PLC042749

Credit Rating and Rationale

The NCDs proposed to be issued under this Issue have been rated BWR AA+/Stable (pronounced as BWR Double A Plus with Stable outlook) for an amount of Rs.50,000 million by Brickworks Ratings India Private Limited vide their rating letter dated October 31, 2018, CRISIL AA/Stable (pronounced as CRISIL Double A rating with Stable outlook) for an amount of Rs.50,000 million by CRISIL Ratings Limited vide their rating letter dated November 1, 2018 and (ICRA) AA (stable) (pronounced as ICRA Double A with a Stable outlook) for an amount of Rs.50,000 million by ICRA Limited vide their rating letter dated October 31, 2018. The aforesaid rating indicates that instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations and carry very low credit risk. The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating agency has a right to suspend or withdraw the rating at any time on the basis of factors such as new information. Please refer to *Annexures A, B and C* of this Draft Shelf Prospectus for the rationale of the above ratings.

Disclaimer clause of Brickwork Rating India Private Limited

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.

Disclaimer clause of CRISIL Limited

CRISIL Limited (CRISIL) has taken due care and caution in preparing the material based on the information provided by its client and / or obtained by CRISIL from sources which it considers reliable (Information). A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. The Rating is not a recommendation to invest / disinvest in any entity covered in the Material and no part of the Material should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of the Material. Without limiting the generality of the foregoing, nothing in the Material is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. India Infoline Finance Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Material or part thereof outside India. Current rating status and CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301.

Disclaimer clause of ICRA Limited

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.

Legal Counsel to the Issue

IC Universal Legal
Advocates & Solicitors
209, Hubtown Solaris
Prof. N.S. Phadke Marg, Andheri (E)
Mumbai 400 069
Tel: +91 (22) 6184 9900
Email: info@icul.in
Website: www.icul.in

Bankers to our Company

HDFC Bank Limited
2nd floor, Zenith House, K.K Road,
Arya Nagar, Dr Babasaheb Ambedkar Colony,
Mahalakshmi, Mumbai - 400034
Tel: 022-39760546
Fax: 022-39760092
Email: xerses.davar@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Xerses Davar
CIN: L65920MH1994PLC080618

Public Issue Account Banks

As specified in the relevant Tranche Prospectus for each Tranche

Refund Bank

As specified in the relevant Tranche Prospectus for each Tranche

Impersonation

As a matter of abundant precaution, attention of the investors is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, 2013, relating to punishment for fictitious applications. Section 38(1) of the Companies Act, 2013 provides that:

"Any person who —

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

Underwriting

The Issue is not underwritten**.**

Arrangers to the Issue

There are no arrangers to the Issue.

Expert Opinion

Except for the following, our Company has not obtained any expert opinions in connection with this Draft Shelf Prospectus:

1. Our Company has received consent dated November 23, 2018 from its Statutory Auditors namely M/s. Deloitte Haskins & Sells LLP to include their name as required under Section 26 (1) (v) of the Companies Act, 2013 and as '*Expert*' as defined under Section 2(38) of the Companies Act, 2013 in this Draft Shelf Prospectus in respect of Examination Report on Reformatted Summary Financial Statements and the Limited Review Financial Statement.

2. Our Company has received consent from an independent chartered accountant namely Pritesh Mehta & Co., Chartered Accountants to include their name as required under Section 26 (1) (v) of the Companies Act, 2013 and as '*Expert*' as defined under Section 2(38) of the Companies Act, 2013 in this Draft Shelf Prospectus in respect of the Statement of Tax Benefits dated November 13, 2018 included in this Draft Shelf Prospectus and such consent has not been withdrawn as on the date of this Draft Shelf Prospectus.

3. Our Company has received consent from BWR to act as the credit rating agency to the Issue and an expert as defined under Section 2 (38) of the Companies Act, 2013 vide their letters dated October 31, 2018.

Minimum Subscription

Under the SEBI Debt Regulations, our Company may stipulate a minimum subscription amount which it seeks to raise. The SEBI has by its circular, CIR/IMD/DF/12/2014 dated June 17, 2014 prescribed the minimum subscription for debt securities as75% of the base issue. If our Company does not receive the minimum subscription of 75% of the Base Issue, prior to the Issue Closing Date, the entire subscription amount shall be refunded to the Applicants within six days from the date of closure of the Issue provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within 6 working days from the Issue Closing Date, failing which the Company will become liable to refund the Application Amount along with interest at the rate 15% per annum for the delayed period.

Self-Certified Syndicate Bank

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, refer to the above-mentioned link.

In relation to Bids submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of the ASBA Forms from the members of the Syndicate is available on the website of SEBI http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.

Syndicate SCSB Branches

In relation to Applications submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit the Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Utilisation of Issue proceeds

For details on utilisation of Issue proceeds see, "*General Terms of the Issue*" beginning on page 236 of this Draft Shelf Prospectus.

Issue Programme

ISSUE OPENS ON	As specified in relevant Tranche Prospectus
ISSUE CLOSES ON	As specified in relevant Tranche Prospectus

This Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m.(*Indian Standard Time*), during the period indicated in the relevant Tranche Prospectus, except that this Issue may close on such earlier date or extended date as may be decided by the Board or the Finance Committee of the Board of Directors of our Company. In the event of such an early closure of or extension of this Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a national daily newspaper with wide circulation on or before such earlier date or initial date of closure.

Applications Forms for this Issue will be accepted only from 10:00 a.m. to 5:00 p.m.(*Indian Standard Time*) or such extended time as may be permitted by the Stock Exchange, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday) (a) by the Designated Intermediaries at the Collection Centres, or (b) by the SCSBs directly at the Designated Branches of the SCSBs. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. and uploaded until 5:00 p.m. (*Indian Standard Time*) or such extended time as may be permitted by the Stock Exchanges.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m. (*Indian Standard Time*)on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Neither our Company, nor the Members of the Syndicate are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment will be as per the relevant Tranche Prospectus. However, in the event of oversubscription, on such date, the allotments would be made to the applicants on proportionate basis.

CAPITAL STRUCTURE

Details of Share Capital and Securities Premium Account

The share capital and securities premium of our Company as on September 30, 2018 is set forth below:

Share Capital	**(in Rs.)**
AUTHORISED SHARE CAPITAL	
300,000,000 equity shares of Rs. 10 each	3,000,000,000.00
1,999,600 equity shares of Rs.100 each	199,960,000.00
400 Preference Shares of Rs. 100 each	40,000.00
575,000,000 Preference Shares of Rs.10 each	5,750,000,000.00
TOTAL AUTHORISED SHARE CAPITAL	**8,950,000,000.00**
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	
2,80,801,741 Equity Shares of Rs. 10 each	2,808,017,410.00
TOTAL	2,808,017,410.00
SECURITIES PREMIUM ACCOUNT*	**18,290,609,280.00**

Note: *There will be no change in the capital structure and securities premium account due to the issue and allotment of the NCDs.*

**Securities Premium Account as on September 30, 2018 post giving impact to Ind-AS adjustments stands at Rs.18,291,839,902.*

Changes in the authorised capital of our Company as on September 30, 2018 is set forth below:

Date of Approval	Authorized Share Capital (in Rs.)	Particulars	Change in Equity Share Capital	Change in Preference Share Capital
July 7, 2004	20,000,000	Authorised Share Capital of the Company on incorporation as mentioned in Clause V of the Memorandum of Association was Rs. 20 million divided into 2,000,000 Equity Shares of Rs.10 each.	-	-
July 11, 2005	50,000,000	The revised Authorised Share Capital stood at Rs. 50 million comprising of 5,000,000 Equity Shares of Rs. 10 each.	Increase by creation of 3,000,000 new Equity Shares of Rs.10 each aggregating to Rs. 30 million	Nil
March 5, 2007	150,000,000	The revised Authorised Share Capital stood at Rs. 150 million comprising of 15,000,000 Equity Shares of Rs. 10 each.	Increase by creation of 10,000,000 new Equity Shares of Rs. 10 each aggregating to Rs. 100 million	Nil
November 21, 2007	200,000,000	The revised Authorised Share Capital stood at Rs. 200 million	Increase by creation of 5,000,000 new Equity Shares of Rs. 10 each aggregating	Nil

Date of Approval	Authorized Share Capital (in Rs.)	Particulars	Change in Equity Share Capital	Change in Preference Share Capital
		comprising of 20,000,000 Equity Shares of Rs. 10 each.	to Rs. 50 million	
January 16, 2008	500,000,000	The revised Authorised Share Capital stood at Rs. 500 million comprising of 50,000,000 Equity Shares of Rs. 10 each.	Increase by creation of 30,000,000 new Equity Shares of Rs. 10 each aggregating to Rs. 300 million	Nil
August 26, 2010	3,000,000,000	Increase of Authorised Share Capital, by creation of 250,000,000 new Equity Shares of Rs. 10 each. The revised Authorised Share Capital stood at Rs. 3,000 million comprising of 300,000,000 Equity Shares of Rs. 10 each.	Increase by creation of 250,000,000 new Equity Shares of Rs. 10 each aggregating to Rs. 2500 million	Nil
March 26, 2012	3,200,000,000	Increase of Authorised capital pursuant to High Court order issued on February 10, 2012 for merger of Money line Credit Limited, wholly owned subsidiary company, with the Company. The revised Authorised Share Capital stood at Rs. 3,000 million comprising of 300,000,000 Equity Shares of Rs. 10 each, Rs. 199.96 million comprising of 1,999,600 equity shares of Rs. 100 each, Rs. 15000 comprising of 150 Preference Shares of Rs. 100 each and Rs. 25,000 comprising of 250 11% Non-cumulative redeemable preference shares of Rs. 100 each.	Increase by creation of 1,999,600 equity shares of Rs. 100 each aggregating to Rs. Rs. 199.96 million	Increase by creation of 150 Preference Shares of Rs. 100 each aggregating to Rs. 15000 and 250 11% Non-cumulative redeemable preference shares of Rs. 100 each aggregating to Rs. 25,000.

Date of Approval	Authorized Share Capital (in Rs.)	Particulars	Change in Equity Share Capital	Change in Preference Share Capital
September 23, 2014	395,00,00,000	The revised Authorised Share Capital stood at Rs. 3950 million divided into 30,00,00,000 Equity Shares of Rs. 10 each, 19,99,600 Equity Shares of Rs.100 each, 400 Preference Shares of Rs.100 each and 7,50,00,000 Preference Shares of Rs.10 each	Nil	Increase by creation of 7,50,00,000 Preference Shares of Rs.10 each aggregating to Rs. 750 million
March 17, 2015	895,00,00,000	The revised Authorised Share Capital stood at Rs. 8950 million divided into 30,00,00,000 Equity Shares of Rs.10 each Rupees Ten Only, 19,99,600 Equity Shares of Rs.100 each, 400 each Preference Shares of Rs.100 each and 57,50,00,000 Preference Shares of Rs.10 each.	Nil	Increase by creation of 50,00,00,000 Preference Shares of Rs.10 each aggregating to Rs. 5000 million

Notes to Capital Structure

1. Share capital history of the Company

Equity share capital history of our Company since incorporation as on September 30, 2018

Date of Allotment	No. of Equity Shares	Face Value (in Rs.)	Issue Price (in Rs.)	Nature of Consideration (Cash, other than cash etc.)	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Equity Share Capital (in Rs.)	Cumulative Equity Share Premium (in Rs.)
July 7, 2004	10,000	10	10	Cash	Initial subscription to MoA	10,000	100,000	-
July 21, 2004	1,990,000	10	11	Cash	Preferential allotment[1]	2,000,000	20,000,000	1,990,000
August 3, 2005	3,000,000	10	100	Cash	Rights Issue[2]	5,000,000	50,000,000	271,990,000
March 26, 2007	7,000,000	10	150	Cash	Rights Issue[3]	12,000,000	120,000,000	1,251,990,000
September 26, 2007	465,075	10	200	Other than Cash	Preferential Allotment[4]	12,465,075	124,650,750	1,340,354,250

Date of Allotment	No. of Equity Shares	Face Value (in Rs.)	Issue Price (in Rs.)	Nature of Consideration (Cash, other than cash etc.)	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Equity Share Capital (in Rs.)	Cumulative Equity Share Premium (in Rs.)
November 21, 2007	1,184,925	10	283	Cash	Preferential Allotment[5]	13,650,000	136,500,000	1,663,838,775
November 29, 2007	3,962,903	10	767.83	Cash	Preferential Allotment[6]	17,612,903	176,129,030	4,667,045,555
January 18, 2008	173,650	10	1,151.74	Cash	Preferential Allotment[7]	17,786,553	177,865,530	4,865,308,706
February 6, 2008	5,928,850	10	1014	Cash	Right Issue[8]	23,715,403	237,154,030	10,808,374,106[9]
September 24, 2010	213,438,627	10	-	Other than cash	Bonus Issue[10]	237,154,030	2,371,540,300	8,657,487,836[11]
September 26, 2016	100	10	231.92	Cash	Preferential Allotment[12]	237,154,130	2,371,541,300	8,657,510,028
March 30, 2017	10972	10	83	Cash	Allotment upon exercise of ESOPs[13]	237,165,102	2,371,651,020	8,658,310,984
May 19, 2017	3010	10	83	Cash	Allotment upon exercise of ESOPs[13]	237,168,112	2,371,681,120	8,658,530,714
July 13, 2017	6700	10	83	Cash	Allotment upon exercise of ESOPs[13]	237,174,812	2,371,748,120	8,659,019,814
October 31, 2017	450	10	83	Cash	Allotment upon exercise of ESOPs[13]	23,71,75,262	2,37,17,52,620	8,659,052,664
December 6, 2017	186310	10	83	Cash	Allotment upon exercise of ESOPs[13]	23,73,61,572	2,37,36,15,720	8,672,653,294
December 22, 2017	5080	10	83	Cash	Allotment upon exercise of ESOPs[13]	23,73,66,652	2,37,36,66,520	8,673,024,135
January 12, 2018	12020	10	83	Cash	Allotment upon exercise of ESOPs[13]	2,37,37,86,72	2,37,37,86,720.00	8,673,901,595
February 24, 2018	16,180	10	2880 equity shares at Rs. 83 per share & 13300 equity shares Rs. 144 per share	Cash	Allotment upon exercise of ESOPs[13]	23,73,94,852	2,37,39,48,520.00	8,675,894,035
March 21, 2018	12,770	10	3620 equity shares at Rs. 83 per share & 9150 equity shares at Rs. 144	Cash	Allotment upon exercise of ESOPs[13]	23,74,07,622	2,37,40,76,220.00	8,677,384,395

Date of Allotment	No. of Equity Shares	Face Value (in Rs.)	Issue Price (in Rs.)	Nature of Consideration (Cash, other than cash etc.)	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Equity Share Capital (in Rs.)	Cumulative Equity Share Premium (in Rs.)
			per share					
March 27, 2018	4,33,34,409	10	Conversion of 4,33,34,409 - 0.01% Compulsorily Convertible Preference Shares of Rs. 10 per share which were issued at premium of Rs. 221.92 per share	Conversion	Conversion of 4,33,34,409 - 0.01% Compulsorily Convertible Preference Shares into equal number of Equity Shares.[14]	28,07,42,031	2,80,74,20,310.00	8,677,384,395
May 2, 2018	24,294	10	16,850 equity shares at Rs. 144 per share and 7,444 equity shares at Rs. 83 per share	Cash	Allotment upon exercise of ESOPs[13]	28,07,66,325	2,80,76,63,250	8,680,185,707
June 28, 2018	35,416	10	18,300 equity shares at Rs. 144 each and 17,116 equity shares at Rs. 83 each	Cash	Allotment upon exercise of ESOPs[13]	28,08,01,741	2,80,80,17,410	8,683,887,375

Notes:

1. *Preferential allotment to India Infoline Limited (now IIFL Holdings Limited).*
2. *Issue of Equity Shares on a rights basis to India Infoline Limited (now IIFL Holdings Limited).*
3. *Issue of Equity Shares on a rights basis to India Infoline Limited (now IIFL Holdings Limited).*
4. *Preferential allotment of 465,075 Equity Shares of our Company to India Infoline Limited (now IIFL Holdings Limited) against a consideration of transfer of 65,000 equity shares of Moneyline Credit Limited and 1,400,100 equity shares of India Infoline Distribution Company Limited (now India Infoline Limited) to our Company.*
5. *Preferential allotment made to India Infoline Limited (now IIFL Holdings Limited).*
6. *Preferential allotment to Orient Global Tamarind Fund Private Limited.*
7. *Preferential allotment to Bennet Coleman and Co. Limited.*
8. *Issue of 4,550,000 Equity Shares, 1,320,967 Equity Shares and 57,883 Equity Shares on a rights basis to (i) erstwhile India Infoline Limited (now IIFL Holdings Limited) (ii) Orient Global Tamarind Fund Private Limited (iii) Bennet Coleman and Co. Limited, respectively.*

9. *After reduction of securities premium account on account of adjustment of share issue expenses (stamp duty).*
10. *The Board recommended that a sum of Rs. 2,134,386,270 be capitalised out of the securities premium Account and issued as 213,438,627 equity shares of Rs. 10 each credited as fully paid bonus shares to the holders of the existing Equity Shares of our Company, in the ratio of nine equity shares of Rs. 10 each for every one existing equity share of Rs. 10 each held and that such new Equity Shares shall rank paripassu with the existing issued Equity Shares.*
11. *Pursuant to reduction of securities premium account on account of issue of bonus Equity Shares and adjustment of share issue expenses.*
12. *Preferential allotment of 100 Equity Shares of Rs. 10 each at an issue price of Rs.231.92 per share to CDC Group Plc.*
13. *Allotment of 2,55,602 Equity Shares of Rs. 10 each at Rs. 83 per share & 57,600 Equity Shares of Rs. 10 each at Rs. 144 per share under IIFL ESOP 2015.*
14. *Conversion of 4,33,34,409 - 0.01% compulsorily convertible preference shares into equal number of Equity Shares held by CDC Group Plc.*

Preference share capital history of our Company since incorporation as on the September 30, 2018

Date of Allotment	No. of Shares	Face Value (in Rs.)	Issue Price (in Rs.)	Consideration (Cash, other than cash etc.)	Nature of Allotment	Issued Preference Share Capital (in Rs.)	Preference Share Premium (in Rs.)
September 29, 2014*	75,000,000	10	10	Cash	Preferential Allotment	750,000,000	-
March 18, 2015**	100,000,000	10	10	Cash	Preferential Allotment	1,000,000,000	-
March 25, 2015***	150,000,000	10	10	Cash	Preferential Allotment	1,500,000,000	-
September 26, 2016****	43,334,409	10	231.92	Cash	Preferential Allotment	433,344,090	9,616,772,045

Notes:

**Our Company has allotted 75,000,000 8% Compulsorily Redeemable Non-Convertible Non-Cumulative Preference Shares of Rs.10 each to IIFL Holdings Limited on September 29, 2014 and the same was redeemed on November 29, 2017.*

***Further, our Company has allotted 100,000,000 8% Non-Convertible Redeemable Cumulative Preference Shares of Rs.10 each to IIFL Holdings Limited and IIFL Wealth Management Limited on March 18, 2015 and the same was redeemed on September 30, 2016.*

****Further, our Company has allotted 150,000,000 9.25% Cumulative Redeemable Non-Convertible Preference Shares of Rs.10 each to IIFL Wealth Management Limited on March 25, 2015 and the same was redeemed on April 25, 2016.*

*****Further, our Company has allotted 43,334,409 0.01% Compulsorily Convertible Preference Shares of Rs.10 each to CDC Group PLC on September 26, 2016 and the same was converted in to equal number of equity shares on March 27, 2018.*

2. Share holding pattern of our Company as on September 30, 2018

The following is the shareholding pattern of our company as on September 30, 2018

Summary Statement holding of specified securities

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights										
								Class eg: X	Class eg: y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V) + (VI)	(VIII) As a % of (A+B +C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+ C2)	(XII)		(XIII)		(XIV)
A	Promoter & Promoter Group	6	237,369,386	-	-	237,369,386	84.53 %	237,369,386	-	237,369,386	84.53 %	-	84.53%	-	-	-	-	237,359,386
B	Public	34	43,432,355	-	-	43,432,355	15.47 %	43,432,355	-	43,432,355	15.47 %	-	15.47%	-	-	-	-	43,432,355
C	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
C1	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares Held By Employee Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**40**	**280,801,741**	**-**	**-**	**280,801,741**	**100.00%**	**280,801,741**	**-**	**280,801,741**	**100.00%**	**-**	**100.00 %**	**-**	**-**	**-**	**-**	**280,791,741**

Statement showing shareholding pattern of the Promoter and Promoter group

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)	(XIII)	(XIV)
1	**Indian**																
a	**Individuals / Hindu Undivided Family**	**-**	**5**	**9,990**	**-**	**-**	**9,990**	**0.00%**	**9,990**	**-**	**9,990**	**0.00 %**	**-**	**0.00%**			**-**
	Nirmal B. Jain (as a nominee of IIFL Holdings Limited)	ABRPJ9235G	1	4,950	-	-	4,950	0.00%	4,950	-	4,950	0.00 %	-	**0.00%**			-

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)	(XIII)	(XIV)
	Venkataraman Rajamani (as a nominee of IIFL Holdings Limited)	ADHPR6633G	1	5,000	-	-	5,000	0.00%	5,000	-	5,000	0.00 %		**0.00%**			-
	Prabhod Agrawal (as a nominee of IIFL Holdings Limited)	ACJPA2488B	1	10	-	-	10	0.00%	10	-	10	0.00 %		**0.00%**			-
	R. Mohan (as a nominee of IIFL	AAFPM5029C	1	20	-	-	20	0.00%	20	-	20	0.00 %		**0.00%**			-

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)	(XIII)	(XIV)
	Holdings Limited)																
	Narendra Jain (as a nominee of IIFL Holdings Limited)	AASPJ9989M	1	10	-	-	10	0.00%	10	-	10	0.00 %	-	**0.00%**			-
b	**Central Government / State Government(s)**		-	-	-	-	-	-	-	-	-	0.00 %	-	0.00%			-
c	**Financial Institutions / Banks**		-	-	-	-	-	-	-	-	-	0.00 %	-	0.00%			-

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
d	**Any Other (Specify)**		**1**	**237,359,396**	**-**	**-**	**237,359,396**	**84.53%**	**237,359,396**	**-**	**237,359,396**	**84.53%**	**-**	**84.53%**					**237,359,386**
	Bodies Corporate		**1**	**237,359,396**	**-**	**-**	**237,359,396**	**84.53%**	**237,359,396**	**-**	**237,359,396**	**84.53%**	**-**	**84.53%**					**237,359,386**
	IIFL Holdings Limited	AABCI0745G	1	237,359,396	-	-	237,359,396	84.53%	237,359,396	-	237,359,396	84.53%	-	84.53%					237,359,386
					-	-	-	-	-	-	-	-	-	-					-
	Sub Total (A)(1)		**6**	**237,369,386**	**-**	**-**	**237,369,386**	**84.53%**	**237,369,386**	**-**	**237,369,386**	**84.53%**	**-**	**84.53%**					**237,359,386**
2	**Foreign**																		
a	Individuals (Non-Resident Individua		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
	ls / Foreign Individuals)																		
b	Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Institutions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Foreign Portfolio Investor		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	Any Other (Specify)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (A)(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
	Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2)		6	237,369,386	-	-	237,369,386	84.53%	237,369,386	-	237,369,386	84.53%	-	84.53%	-	-	-	-	237,359,386

Statement showing shareholding pattern of the Public shareholder

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights										
									Class eg: X	Class eg: y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
1	Institutions																		
a	Mutual Fund				-	-		-	-	-	-	-	-	-	-	-	-	-	-
b	Venture Capital Funds				-	-		-	-	-	-	-	-	-	-	-	-	-	-
c	Alternate Investment Funds				-	-		-	-	-	-	-	-	-	-	-	-	-	-
d	Foreign Venture Capital Investors				-	-		-	-	-	-	-	-	-	-	-	-	-	-
e	Foreign Portfolio Investor				-	-		-	-	-	-	-	-	-	-	-	-	-	-
f	Financial Institutions / Banks				-	-		-	-	-	-	-	-	-	-	-	-	-	-
g	Insurance Companies				-	-		-	-	-	-	-	-	-	-	-	-	-	-
h	Provident Funds/				-	-		-	-	-	-	-	-	-	-	-	-	-	-

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights										
									Class eg: X	Class eg: y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
	Pension Funds																		
i	Any Other (Specify)				-	-		-	-	-	-	-	-	-	-	-	-	-	-
	Foreign Bank				-	-		-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Central Government/ State Government(s)/ President of India																		
	Central Government / State Government(s)				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Non-Institutions																		
a	Individuals				-										-				

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights										
									Class eg: X	Class eg: y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.		33	97,846	-		97,846	0.03%	97,846	-	97,846	0.03 %	-	0.03%	-	-	-	-	97,846
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	NBFCs registered with RBI		-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
c	Employee Trusts		-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
d	Overseas Depositories(holding DRs) (balancing figure)		-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-
e	Any Other (Specify)		1	43,334 ,509	-	-	43,334 ,509	15.43%	43,334 ,509	-	43,334 ,509	15.43 %	-	15.43%	-	-	-	-	43,334,50 9

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights										
									Class eg: X	Class eg: y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
	Trusts														-	-	-	-	-
	Foreign Nationals														-	-	-	-	-
	Hindu Undivided Family														-	-	-	-	-
	Foreign Companies														-	-	-	-	-
	CDC Group PLC	AAACC6201E	1	43,334,509			43,334,509	15.43%	43,334,509		43,334,509	15.43 %		15.43%	-	-	-	-	43,334,509
	Non Resident Indians (Non Repat)														-	-	-	-	-
	Non Resident Indians (Repat)														-	-	-	-	-
	Unclaimed Shares														-	-	-	-	-
	Clearing Member														-	-	-	-	-
	Bodies Corporate														-	-	-	-	-

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights										
									Class eg: X	Class eg: y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
	Sub Total (B)(3)		34	43,432,355	-	-	43,432,355	15.47%	43,432,355	-	43,432,355	15.47 %	-	15.47%	-	-	-	0.00 %	43,432,355
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)		34	43,432,355	-	-	43,432,355	15.47%	43,432,355	-	43,432,355	15.47 %	-	15.47%	-	-	0	0.00 %	43,432,355

Statement showing shareholding pattern of the Non-Promoter- Non-Public shareholder

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights										
									Class eg: X	Class eg: y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
1	Custodian /DR Holder			-	-		-	NA	-	-	-	-	-	-	-	-	NA	NA	
2	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)*		-	-	-	-	-	0.00%	-	-	-	0.00%	-	0.00%	-	-	NA	NA	-
	Total Non-Promoter-Non Public Shareholding (C)= (C)(1)+(C)(2)		-	-	-	-	-	0.00%	-	-	-	0.00%	-	0.00%	-	-	NA	NA	-

3. Allotments made in the last two years preceding September 30, 2018 separately indicating the allotments made for considerations other than cash.

None

4. Statement of the aggregate number of securities of our Company and our Subsidiary purchased or sold by our promoter, promoter group, our directors and/or their relatives within six months immediately preceding the date of filing of this Draft Shelf Prospectus:

Please refer to the *Annexure E* of this Draft Shelf Prospectus

5. Change in Promoter's holding commencing from April 1, 2017 as on September 30, 2018:

Details of Transfers to IIFL Holdings Limited*				
Particulars	**Date of transfer**	**No. of shares transferred**	**% of shares transferred as on the date of transfer**	**Cumulative holding**
Opening balance as on April 1, 2017	**-**	**-**	**-**	**237,154,030**
Add- Transferred from India Infoline employee trust	February 9, 2018	180,700	0.076%	237,334,730
Add- Transferred from India Infoline employee trust	February 28, 2018	3,880	0.002%	237,338,610
Add- Transferred from Akash Bafna	March 13, 2018	6,660	0.003%	237,345,270
Add- Transferred from Rupesh Sood	April 2, 2018	2,470	0.001%	237,347,740
Add- Transferred from Payal Somani	May 16, 2018	500	0.000%	237,348,240
Add- Transferred from Rohit Panchal	May16, 2018	500	0.000%	237,348,740
Add- Transferred from Kailash Rathi	May 17, 2018	1,000	0.000%	237,349,740
Add- Transferred from Subrata Das	July 23, 2018	5,380	0.002%	237,355,120
Add- Transferred from Prachi Parkar	July 23, 2018	500	0.000%	237,355,620
Add- Transferred from Sandeep Ranjan	July 23, 2018	3,350	0.001%	237,358,970
Add- Transferred from Pankaj Mishra	July 23, 2018	800	0.000%	237,359,770
Add- Transferred from Peeyush Jindal	August 10, 2018	3,050	0.001%	237,362,820
Add- Transferred from Nishant Jasapara	August 30, 2018	6,566	0.002%	237,369,386
Balance as on September 30, 2018	**-**	**-**	**-**	**237,369,386**

**includes the shares held by nominees of IIFL Holdings Limited.*
Note: On January 31, 2018, 10 equity shares held by Rajashree Nambiar (Nominee of IIFL Holdings Limited were transferred to IIFL Holdings Limited)

6. There has been no change in the promoter holding in our Company during the last financial year beyond 26% (as prescribed by RBI).

7. Details of any acquisition or amalgamation in the last 1 year

The Board of Directors of India Infoline Finance Limited at its Board Meeting held on October 31, 2017 approved the acquisition of 100% equity shares of Clara Developers Private Limited ("**Clara**"). On December 27, 2017, the equity shares of Clara were transferred to the Company.

8. Details of any reorganization or reconstruction in the last 1 year

The Board of Directors of IIFL Holdings Limited, at its meeting held on January 31, 2018, has approved the composite scheme of arrangement amongst IIFL Holdings Limited, India Infoline Media and Research Services Limited, IIFL Securities Limited (formerly India Infoline Limited), IIFL Wealth Management Limited, IIFL Distribution Services Limited and our Company and their respective shareholders, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 (**"Scheme"**).

The Scheme, *inter alia*, provides for the following:

i) amalgamation of India Infoline Media and Research Services Limited with the IIFL Holdings Limited;

ii) demerger of the securities business undertaking (*as defined in the Scheme*) of IIFL Holdings Limited into IIFL Securities Limited;

iii) demerger of the wealth business undertaking (*as defined in the Scheme*) of IIFL Holdings Limited into IIFL Wealth Management Limited;

iv) amalgamation of the Company with IIFL Holdings Limited; and

v) transfer of the broking and depository participant business undertaking (*as defined in the Scheme*) of IIFL Wealth Management Limited to its wholly owned subsidiary i.e., IIFL Distribution Services Limited, on a *going-concern* basis.

Post effectiveness of the Scheme:

i) The equity shares of IIFL Securities Limited shall be listed on BSE and NSE, with mirror shareholding with that of the IIFL Holdings Limited;

ii) The equity shares of IIFL Wealth Management Limited shall be listed on BSE and NSE; and

iii) The equity shares of the IIFL Holdings Limited to be issued to the shareholders of the Company, shall be listed on BSE and NSE.

The Scheme has been filed with the Stock Exchanges, SEBI and relevant regulators. The observation letters are received from the Stock Exchanges and SEBI. Further the regulatory approvals from RBI, Dubai Financial Services Authority - Dubai, Monetary Authority of Singapore - Singapore, Financial Conduct Authority – United Kingdom, Financial Industry Regulatory Authority – United States of America, Financial Services Commission - Mauritius and the NHB have been received by the respective companies.

The respective companies have filed applications with the National Company Law Tribunal, Mumbai Bench ("**NCLT**") on October 01, 2018 and the NCLT has directed to convene a meeting of equity shareholders of the respective companies on December 12, 2018. The Board of Directors of our Company, at its meeting held on January 31, 2018, has approved the Scheme.

Our Company has filed the application with the RBI and given intimation to the Pension Fund Regulatory & Development Authority and has received the NOC from RBI.

9. Employee Stock Option Scheme:

Pursuant to the approval given by the shareholders at their extraordinary general meeting held on October 24, 2015, our Company has implemented "India Infoline Finance Employee Stock Option Plan, 2015" ('**IIFL ESOP Plan**') with the objective of rewarding the employees (*in this context, 'Employees' would mean such employees as defined under IIFL ESOP Plan*), and the same has been modified pursuant to the approval given by the shareholders of our Company at their extraordinary general meeting held on November 23, 2015. Under the IIFL ESOP Plan, as amended, the Company has reserved 1,18,57,701 stock options for the benefit of the Employees.

The stock options cancelled or lapsed without being exercised will be available for allocation to other Employees, subject to compliance with the provisions of the Applicable Laws.

The Nomination & Remuneration Committee shall in accordance with IIFL ESOP Plan and Applicable Laws approve the grant of stock options from time to time to the Employees under various series, and approve terms of grant of stock options under each series, including vesting schedule for each series of grants.

The Nomination & Remuneration Committee shall, in accordance with IIFL ESOP Plan and Applicable Laws, approve the procedure for making a fair and reasonable adjustment in case of a corporate action such as stock split / consolidation, rights issues, bonus issues, merger, de-merger, sale of division and others, to ensure that the stock option holders are compensated appropriately in case of any diminution in the value of their stock options as a result of such corporate action.

Stock options granted under IIFL ESOP Plan would vest as per the vesting schedule as determined under each series of grant approved by the Nomination & Remuneration Committee, subject to a minimum period of one year from the date of grant of such stock options. Vesting of stock options would be subject to continued employment of the respective Employee with the Company. Any acceleration in vesting schedule of the stock option will be subject to approval of Nomination & Remuneration Committee.

Please refer below for the details of stock options as on September 30, 2018:

S.No.	Particulars as on September 30, 2018	IIFL ESOP 2015 (No. of Equity Shares)
1	Stock options granted	5,258,540
2	Stock options vested	498,722
3	Stock options exercised	313,202
4	Total number of shares arising out of exercise of Stock options	313,202
5	Stock options lapsed	622,368
6	Exercise price (In Rs.)	Rs. 83[1], Rs. 144[2], Rs. 192[3], Rs. 239[4]

[1] *Exercise price for stock options granted on December 2, 2015 and March 9, 2016*
[2] *Exercise price for stock options granted on February 8, 2017*
[3] *Exercise price for stock options granted on May 2, 2018*
[4] *Exercise price for stock options granted on September 4, 2018*

10. ***Top 10 Equity Shareholders of our Company as on September 30, 2018:***

S.No.	Name of the Shareholder	Total number of Equity Shares	Number of shares held in dematerialized form	Total shareholding as a % of total number of Equity Shares	Shares pledged or otherwise encumbered
1.	IIFL Holdings Limited (including its nominees)	237,369,386	237,359,386	84.53	Nil
2.	CDC Group Plc	43,334,509	43,334,509	15.43	Nil
3.	Valerian Dolphie Barboza	13,990	13,990	0.00	Nil
4.	Garima Nahar	9,036	9,036	0.00	Nil
5.	Lavanya Kumar G.	7,970	7,970	0.00	Nil
6.	Anujeet Sudhakar Kudva	6,250	6,250	0.00	Nil
7.	B. S. Amarnath	5,770	5,770	0.00	Nil
8.	Jerry Tauro	4,260	4,260	0.00	Nil
9.	Saurabh Kumar	4,240	4,240	0.00	Nil
10.	Mayank Gaurishanker Sharma	4,130	4,130	0.00	Nil

11. ***Top 10 holders of Secured and Unsecured Redeemable Non- Convertible Debentures of our Company as on September 30, 2018:***

S.no.	Name	(Rs. in million)
1.	Bank Of Baroda	7,500
2.	Life Insurance Corporation Of India P & GS Fund	5,750
3.	CDC Group Plc	3,250
4.	Standard Chartered Bank	2,500
5.	Citibank N.A.	2,000
6.	ICICI Prudential Life Insurance Company Limited	1,900
7.	HDFC Trustee Company Limited (HDFC Mutual Fund)	1,500
8.	Kotak Mahindra Bank Limited	1,250
9.	ICICI Prudential Mutual Fund	1,250
10.	UTI Mutual Fund	1,107

12. ***Debt to Equity Ratio of our Company as on September 30, 2018 on a consolidated basis.***

(Rs. in millions)

Particulars	Pre issue as at September 30, 2018	Post issue
Debt		
Debt Securities	64,106.39	1,04,106.39
Borrowings (Other than Debt Securities)	2,25,664.62	2,25,664.62
Subordinated Liabilities	15,600.49	25,600.49
Total Debt (A)	**3,05,371.51**	**3,55,371.51**
Equity		
Equity and Share Capital	2,808.02	2,808.02
Other Equity	36,922.70	36,922.70
Non Controlling Interest	36.61	36.61
Total Equity (B)	**39,767.33**	**39,767.33**
Debt / Equity (A/ B)	**7.68**	**8.94**

Note: *The debt - equity ratio post Issue is indicative on account of the assumed inflow of Rs. 50,000 million from the date of the proposed Issue of the Secured and Unsecured NCDs as on September 30, 2018. The actual debt-equity ratio post the Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.*

13. ***Details of Promoter's shareholding in our Company's subsidiaries, Shareholding of Directors in our Company, Shareholding of Directors in subsidiaries, joint ventures and associates***

a. Promoter's Shareholding in Company's Subsidiaries

As on the date of this Draft Shelf Prospectus, our Promoter does not hold any shares in our Subsidiaries.

b. Director's Shareholding in Company's Subsidiaries

As on the date of this Draft Shelf Prospectus, our Directors do not hold any shares in our Subsidiaries.

OBJECTS OF THE ISSUE

Issue Proceeds

Public issue by our Company of Secured NCDs of face value of Rs.1000 each and Unsecured NCDs of face value Rs. 1000 each, for an amount aggregating up to the Shelf Limit. The Unsecured NCDs will be in the nature of subordinated debt and will be eligible for Tier II Capital. The NCDs will be issued in one or more tranches, on terms and conditions as set out in the relevant Tranche Prospectus for any Tranche Issue which should be read together with this Draft Shelf Prospectus and the Shelf Prospectus. This Issue is being made pursuant to the provisions of the SEBI Debt Regulations and the Companies Act, 2013.

The details of the proceeds of this Issue are summarized below:

Particulars	Estimated amount (Rs. in million)
Gross proceeds of the Issue	As mentioned in the relevant Tranche Prospectus
Less: Issue related expenses*	As mentioned in the relevant Tranche Prospectus
Net proceeds	As mentioned in the relevant Tranche Prospectus

**The above Issue related expenses are indicative and are subject to change depending on the actual level of subscription to the Issue, the number of allottees, market conditions and other relevant factors*

The following table details the objects of this Issue and the amount proposed to be financed from Net Proceeds:

S. No.	Objects of this Issue	Percentage of amount proposed to be financed from Net Proceeds
1.	For the purpose of onward lending, financing, and for repayment /prepayment of interest and principal of existing borrowings of our Company[#]	At least 75%
2.	General Corporate Purposes*	Maximum of up to 25%

[#]The Company shall not utilize the proceeds of the Issue towards payment of prepayment penalty, if any.
[*]The Net Proceeds will be first utilized towards the Objects mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount raised in the Issue, in compliance with the SEBI Debt Regulations.

The main objects clause of the Memorandum of Association of the Company permits the Company to undertake its existing activities as well as the activities for which the funds are being raised through this Issue.

The Unsecured NCDs will be in the nature of Subordinated Debt and will be eligible for Tier II Capital and accordingly, will be utilised in accordance with statutory and regulatory requirements including requirements of RBI.

Purpose for which there is a requirement of funds

As stated in this section.

Funding Plan

NA

Summary of the project appraisal report

NA

Schedule of implementation of the project

NA

Monitoring of utilization of funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI Debt Regulations. The Audit Committee of our Company shall monitor the utilisation of the proceeds of this Issue. Our Company will disclose in our Company's financial statements for the relevant financial year commencing from Fiscal 2019, the utilisation of the proceeds of this Issue under a separate head along with details, if any, in relation to all such proceeds of this Issue that have not been utilised thereby also indicating investments, if any, of such unutilized proceeds of this Issue. Our Company shall utilize the proceeds of this Issue only upon the execution of the documents for creation of security and receipt of final listing and trading approval from the Stock Exchanges.

Interim use of proceeds

Our Management will have the flexibility in deploying the proceeds received from the Issue. Pending utilization of the proceeds out of the Issue for the purposes described above, our Company intends to temporarily invest funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities. Such investment would be in accordance with the investment policies approved by the Board or any committee thereof from time to time.

Other Confirmations

In accordance with the SEBI Debt Regulations, our Company will not utilize the proceeds of the Issue for providing loans to or acquisition of shares of any person or company who is a part of the same group as our Company or who is under the same management as our Company.

Proceeds from this Issue shall not be utilised towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property. No part of the proceeds from this Issue will be paid by us as consideration to our Promoter, the Directors, Key Managerial Personnel, or companies promoted by our Promoter except in ordinary course of business.

No part of the proceeds from this Issue will be utilized for buying, trading or otherwise dealing in equity shares of any listed company. Further our Company undertakes that Issue proceeds from NCDs allotted to banks shall not be used for any purpose, which may be in contravention of the RBI guidelines including those relating to classification as capital market exposure or any other sectors that are prohibited under the RBI Regulations.

Our Company confirms that it will not use the proceeds from this Issue for the purchase of any business or in the purchase of any interest in any business whereby our Company shall become entitled to the capital or profit or losses or both in such business exceeding 50% thereof, the acquisition of any immovable property or acquisition of securities of any other body corporate.

The fund requirement as above is based on our current business plan and is subject to change in light of variations in external circumstances or costs, or in our financial condition, business or strategy. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirements and deployment of funds may also change.

Issue Related Expenses Break-up

As specified in the respective Tranche Prospectus

Variation in terms of contract or objects in Draft Shelf Prospectus

Our Company shall not, in terms of Section 27 of the Companies Act, 2013, at any time, vary the terms of the objects for which this Draft Shelf Prospectus is issued, except as may be prescribed under the applicable laws and specifically under Section 27 of the Companies Act, 2013.

Benefit / interest accruing to Promoter/Directors out of the object of this Issue

Neither our Promoter nor the Directors of our Company are interested in the Objects of this Issue.

STATEMENT OF TAX BENEFITS

Date: November 13, 2018

To,
The Board of Directors
India Infoline Finance Limited
12A-10, 13th Floor, Parinee Crescenzo
C-38 and C-39, Bandra Kurla Complex
Bandra - East
Mumbai 400051,
Maharashtra, India.

Dear Sirs,

Sub: Statement of tax benefits in relation to proposed public issue of secured, redeemable, non-convertible debentures and unsecured, redeemable, non-convertible debentures ("NCDs") by India Infoline Finance Limited ("Company") with a shelf limit of up to 50,000 million ("Issue")

We report that the enclosed statement materially covers all the possible tax benefits available to India Infoline Finance Limited ("the Company") and to the debenture holders of the Company under the Income Tax Act, 1961, as amended by Finance Act, 2018. Several of these benefits are dependent on the Debenture Holder(s) fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Debenture Holder(s) to derive the tax benefits is dependent upon fulfilling such conditions, which are based on business imperatives the Debenture Holder(s) would face in the future. The Debenture Holder(s) may or may not choose to fulfill such conditions.

The benefits discussed in the Annexure 1 are not exhaustive. This statement is only intended to provide general information to the Debenture Holders and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each Debenture Holder is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. Neither are we suggesting nor are we advising the Debenture Holders to invest money based on this statement.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

We do not express any opinion or provide any assurance as to whether:

- The Company or its debenture holders will continue to obtain these benefits in future; or
- The conditions prescribed for availing the benefits, where applicable have been or would be met with;
- The revenue authorities/courts will concur with views expressed herein.

The preparation of the contents stated is the responsibility of Company's management. We accept no responsibility to debenture holders or any third party and this should be stated in the Draft Shelf Prospectus, Shelf Prospectus and/or Prospectus and/or Tranche Prospectus(es). The contents of the enclosed annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

No assurance is given that the revenue authorities/ Courts will concur with the views expressed herein. Our views are based on existing provisions of law and their interpretations which could vary from others, and which are subject to change from time to time. We do not assume any responsibility to update the views consequent to such changes.

This statement has been issued at the request of the Company in connection with the proposed issue of secured, redeemable NCDs for inclusion in the offer documents to be filed with the Securities and Exchange Board of India, the National Stock Exchange of India Limited and the BSE Limited or any other regulatory authorities, as required

We hereby give our consent to include enclosed statement regarding the tax benefits available to the Company and to its debenture holders in the Offer Documents for the Issue which the Company intends to file to the BSE Limited, the National Stock Exchange of India Limited, the Securities and Exchange Board of India, the relevant Registrar of

Companies in India and any other regulatory authorities as required under the applicable laws, in connection with the Issue provided that the below statement of limitation is included in the Offer Documents.

For Pritesh Mehta & Co.
Chartered Accountants

Sd/-
Pritesh Mehta
(Proprietor)
Membership no: 049593

Place: Mumbai
Date: November 13, 2018

ANNEXURE 1

Under the existing provisions of law, the following tax benefits, inter-alia, will be available to the Debenture Holder(s). The tax benefits are given as per the prevailing tax laws and may vary from time to time in accordance with amendments to the law or enactments thereto. The information given below lists out the possible benefits available to the Debenture Holder(s) of an Indian company in which public are substantially interested as defined in Section 2(18)(b)(B) of the Income Tax Act, 1961, in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of the debenture.

The Debenture Holder is advised to consider in its own case, the tax implications in respect of subscription to the Debentures after consulting his tax advisor as alternate views are possible. We are not liable to the Debenture Holder in any manner for placing reliance upon the contents of this statement of tax benefits.

This statement has been prepared solely in connection with the Issue under the Regulations as amended.

STATEMENT OF POSSIBLE DIRECT TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS

A. Under the Income-Tax Act, 1961 ("I.T. Act")

I. Tax benefits available to the Resident Debenture Holders

1. Interest on debentures received by resident debenture holders would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act.

2. As per section 2(29A) read with section 2(42A) of the I.T. Act, a listed debenture is treated as a long term capital asset if the same is held for more than 12 months immediately preceding the date of its transfer.
   As per section 112 of the I.T. Act, capital gains arising on the transfer of long term capital assets being listed securities are subject to tax at the rate of 20% of capital gains calculated after reducing indexed cost of acquisition or 10% of capital gains without indexation of the cost of acquisition. The capital gains will be computed by deducting expenditure incurred in connection with such transfer and cost of acquisition/indexed cost of acquisition of the debentures from the sale consideration

   However as per the third proviso to section 48 of I.T. Act, benefit of indexation of cost of acquisition under second proviso of section 48 of I.T. Act, is not available in case of bonds and debenture, except capital indexed bonds. Accordingly, long term capital gains arising to the Debenture Holder(s), would be subject to tax at the rate of 10%, computed without indexation, as the benefit of indexation of cost of acquisition is not available in case of debentures.

   In case of an individual or HUF, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, such long term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such long-term capital gains shall be computed at the rate mentioned above.

3. As per section 2(42A) of the I.T. Act, a listed debenture is treated as a short term capital asset if the same is held for not more than 12 months immediately preceding the date of its transfer. Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months would be taxed at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act. The provisions relating to maximum amount not chargeable to tax described at para 2 above would also apply to such short term capital gains.

4. In case debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the I.T. Act.

5. Securities Transaction Tax ("STT") is a tax levied on all transactions in specified securities done on the stock exchanges at rates prescribed by the Central Government from time to time. STT is not applicable on transactions in the debentures.

6. Income tax is deductible at source on interest on debentures, payable to resident debenture holders at the time of credit/ payment as per the provisions of section 193 of the I.T. Act. However, no income tax is deductible at source in respect of the following:

a) Any security issued by a Company in a dematerialised form and is listed on recognised stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder.

b) In case the payment of interest on debentures to a resident individual or a Hindu Undivided Family ('HUF'), Debenture Holder does not or is not likely to exceed ₹ 5,000 in the aggregate during the Financial Year and the interest is paid by an account payee cheque.

c) When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture Holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the I.T. Act; and that certificate is filed with the Company before the prescribed date of closure of books for payment of debenture interest.

d) (i) When the resident Debenture Holder with Permanent Account Number ('PAN') (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the I.T. Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be NIL. However under section 197A(1B) of the I.T. Act, "Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the previous year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax". Further, section 87A provides a rebate of 100 percent of income-tax or an amount of Rs. 2,500 whichever is less to a resident individual whose total income does not exceed Rs. 3,50,000.

(ii) Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the I.T. Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on total income of the person is NIL.

(iii) In all other situations, tax would be deducted at source as per prevailing provisions of the I.T. Act. Form No.15G with PAN / Form No.15H with PAN / Certificate issued u/s 197(1) has to be filed with the Company before the prescribed date of closure of books for payment of debenture interest without any tax withholding.

7. In case where tax has to be deducted at source while paying debenture interest, the Company is not required to deduct surcharge, education cess and secondary and higher education cess.

8. Interest on application money and interest on refund application would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act and such tax would need to be withheld at the time of credit/payment as per the provisions of Section 194A of the I.T. Act

9. As per Section 74 of the I.T. Act, short-term capital loss on debentures suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long term capital gains. Long-term capital loss on debentures suffered during the year is allowed to be set-off only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming setoff against subsequent year's long-term capital gains.

II Tax benefits available to the Non-Resident Debenture Holders

1. A non-resident Indian has an option to be governed by Chapter XII-A of the I.T. Act, subject to the provisions contained therein which are given in brief as under:

(a) As per section 115C(e) of the Act, the term "non-resident Indian" means an individual, being a citizen of India or a person of Indian origin who is not a "resident". A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grand-parents, was born in undivided India.

(b) As per section 115E of the I.T. Act, interest income from debentures acquired or purchased with or subscribed to in convertible foreign exchange will be taxable at 20%, whereas, long term capital gains on transfer of such debentures will be taxable at 10% of such capital gains without indexation of cost of acquisition. Short-term capital gains will be taxable at the normal rates of tax in accordance with and subject to the provisions contained therein.

(c) As per section 115F of the I.T. Act, long term capital gains arising to a non-resident Indian from transfer of debentures acquired or purchased with or subscribed to in convertible foreign exchange will be exempt from capital gain tax if the net consideration is invested within six months after the date of transfer of the debentures in any specified asset or in any saving certificates referred to in section 10(4B) of the I.T. Act in accordance with and subject to the provisions contained therein. However, if the new assets are transferred or converted into money within a period of three years from their date of acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the new assets are transferred or converted into money.

(d) As per section 115G of the I.T. Act, it shall not be necessary for a non-resident Indian to file a return of income under section 139(1) of the I.T. Act, if his total income consists only of investment income as defined under section 115C and/or long term capital gains earned on transfer of such investment acquired out of convertible foreign exchange, and the tax has been deducted at source from such income under the provisions of Chapter XVII-B of the I.T. Act in accordance with and subject to the provisions contained therein.

(e) As per section 115H of the I.T. Act, where a non-resident Indian becomes assessable as resident in India in any subsequent year, he may furnish to the Assessing Officer a declaration in writing along with return of income under section 139 for the assessment year for which he is assessable as a resident, to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to the investment income (other than on shares in an Indian Company) derived from any foreign exchange assets in accordance with and subject to the provisions contained therein. On doing so, the provisions of Chapter XII-A shall continue to apply to him in relation to such income for that assessment year and for every subsequent assessment year until the transfer or conversion (otherwise than by transfer) into money of such assets.

2. In accordance with and subject to the provisions of section 115-I of the I.T. Act, a non-resident Indian may opt not to be governed by the provisions of Chapter XII-A of the I.T. Act. In that case,

(a) Long term capital gains on transfer of listed debentures would be subject to tax at the rate of 10% computed without indexation.

(b) Investment income and Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months preceding the date of transfer, would be taxed at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act

(c) Where debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the I.T. Act.

3. Under Section 195 of the I.T. Act, the applicable rate of tax deduction at source is 20% on investment income and 10% on any long-term capital gains as per section 115E of the I.T. Act, and at the normal rates for Short Term Capital Gains if the payee debenture holder is a non-resident Indian.

4. As per Section 74 of the I.T. Act, short-term capital loss suffered during the year is allowed to be set- off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss suffered (other than the long-term capital assets whose gains are exempt under Section 10(38) of the I.T. Act) during the year is allowed to be set-off only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

5. Interest on application money and interest on refund application would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act and such tax would need to be withheld

at the time of credit/payment as per the provisions of Section 195 of the I.T. Act6. The income tax deducted shall be increased by surcharge as under:

(a) In the case of non-resident Indian, surcharge at the rate of 10% of such tax liability (if net income exceeds Rs. 50,00,000 and does not exceed Rs. 1,00,00,000) and 15% of such tax liability (if net income exceeds Rs. 1,00,00,000) subject to deduction.

(b) In the case of foreign companies, surcharge at the rate of 2% of such tax liability where the income or the aggregate of such income paid or likely to be paid and subject to deduction exceeds Rs. 1,00,00,000 but does not exceed Rs. 10,00,00,000, surcharge at the rate of 5% of such income tax where the income or the aggregate of such income paid or likely to be paid and subject to the deduction exceeds Rs. 10,00,00,000.

(c) In case of domestic companies, where the income paid or likely to be paid exceeds Rs. 1,00,00,000 but does not exceed Rs. 10,00,00,000 a surcharge of 7% of such tax liability is payable and when such income paid or likely to be paid exceeds Rs. 10,00,00,000, surcharge at 12% of such tax is payable.

(d) Cess is to be applied at 4% on aggregate of base tax and surcharge.

6. As per section 90(2) of the I.T. Act read with the Circular no. 728 dated October 30, 1995 issued by the Central Board of Direct Taxes, in the case of a remittance to a country with which a Double Tax Avoidance Agreement (DTAA) is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee. However, submission of tax residency certificate ("TRC"), is a mandatory condition for availing benefits under any DTAA. If the TRC does not contain the information prescribed by the CBDT vide its Notification No. 57/2013 dated 1 August 2013, a self-declaration in Form 10F would need to be provided by the assessee along with TRC

7. Alternatively, to ensure non-deduction or lower deduction of tax at source, as the case may be, the Debenture Holder should furnish a certificate under section 195(2) & 195(3) of the I.T. Act, from the Assessing Officer before the prescribed date of closure of books for payment of debenture interest. However, an application for the issuance of such certificate would not be entertained in the absence of PAN as per the provisions of section 206AA.

III Tax benefits available to the Foreign Portfolio Investors ("FPIs")

1. As per Section 2(14) of the I.T. Act, any securities held by FPIs which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992, shall be treated as capital assets. Accordingly, any gains arising from transfer of such securities shall be chargeable to tax in the hands of FPIs as capital gains.

2. In accordance with and subject to the provisions of section 115AD of the I.T. Act, long term capital gains on transfer of debentures by FPIs are taxable at 10% (plus applicable surcharge and cess) and short-term capital gains are taxable at 30% (plus applicable surcharge and cess). The benefit of cost indexation will not be available. Further, benefit of provisions of the first proviso of section 48 of the I.T. Act will not apply.

3. Income other than capital gains arising out of debentures is taxable at 20% (plus applicable surcharge and cess) in accordance with and subject to the provisions of Section 115AD of the I.T. Act.

4. Section 194LD in the I.T. Act provides for lower rate of withholding tax at the rate of 5% (plus applicable surcharge and cess) on payment by way of interest paid by an Indian company to FPIs and Qualified Foreign Investor in respect of rupee denominated bond of an Indian company between June 1, 2013 and July 1, 2020 provided such rate does not exceed the rate as may be notified by the Government.

5. In accordance with and subject to the provisions of section 196D(2) of the I.T. Act, no deduction of tax at source is applicable in respect of capital gains arising on the transfer of debentures by FPIs.

6. The CBDT has issued a Notification No. 9 dated 22 January 2014 which provides that Foreign Portfolio Investors (FPI) registered under SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be treated as FII for the purpose of Section 115AD of the I.T. Act.

IV Tax benefits available to Mutual Funds

As per section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorised by the Reserve Bank of India will be exempt from income tax, subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf. Further, as per the provisions of Section 196 of the I.T. Act, no deduction of tax shall be made by any person from any sums payable to mutual funds specified under Section 10(23D) of the I.T. Act, where such sum is payable to it by way of interest or dividend in respect of any securities or shares owned by it or in which it has full beneficial interest, or any other income accruing or arising to it.

V Exemption under Sections 54EC and 54F of the I.T. Act

1. Under section 54EC of the I.T .Act, long term capital gains arising to the Debenture Holder(s) on transfer of their debentures in the company shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months after the date of transfer. If only part of the capital gain is so invested, the exemption shall be proportionately reduced. However, if the said notified bonds are transferred or converted into money within a period of three years from their date of acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the bonds are transferred or converted into money. However, the amount of exemption with respect to the investment made in the aforesaid notified bonds during the financial year in which the debentures are transferred and the subsequent financial year, should not exceed Rs. 50 lakhs. Where the benefit of section 54EC of the I.T. Act has been availed of on investments in the notified bonds, a deduction from the income with reference to such cost shall not be allowed under section 80C of the I.T. Act. However, Union Budget 2018 has discontinued for the above benefit on all asset except Land and Building

2. As per the provisions of section 54F of the I.T. Act, any long-term capital gains on transfer of a long term capital asset (not being residential house) arising to a debenture holder who is an individual or Hindu Undivided Family, is exempt from tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house, or for construction of residential house within three years from the date of transfer. If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis.

   This exemption is available, subject to the condition that the debenture holder does not own more than one residential house at the time of such transfer. If the residential house in which the investment has been made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains tax exempted earlier would become chargeable to tax as long-term capital gains in the year in which such residential house is transferred. Similarly, if the debenture holder purchases within a period of two years or constructs within a period of three years after the date of transfer of capital asset, another residential house (other than the new residential house referred above), then the original exemption will be taxed as capital gains in the year in which the additional residential house is acquired.

VI Requirement to furnish PAN under the I.T. Act

1. Section 139A(5A) of the I.T. Act requires every person receiving any sum or income or amount from which tax has been deducted under Chapter XVII-B of the I.T. Act to furnish his PAN to the person responsible for deducting such tax.

2. Section 206AA of the I.T. Act requires every person entitled to receive any sum or income or amount, on which tax is deductible under Chapter XVIIB ("deductee") to furnish his PAN to the deductor, failing which tax shall be deducted at the higher of the following rates:

   (i) at the rate specified in the relevant provision of the I.T. Act; or
   (ii) at the rate or rates in force; or
   (iii) at the rate of twenty per cent.

3. As per Rule 37BC, the higher rate under section 206AA shall not apply to a non-resident, not being a company, or to a foreign company, in respect of payment of interest, if the non-resident deductee furnishes the prescribed details inter alia TRC and Tax Identification Number (TIN).

4. A declaration under Section 197A(1) or 197A(1A) or 197A(1C) shall not be valid unless the person furnishes his PAN in such declaration and the deductor is required to deduct tax as per Para (1) above in such a case.

5. Where a wrong PAN is provided, it will be regarded as non-furnishing of PAN and Para (1) above will apply apart from penal consequences. VII Taxability of Gifts received for nil or inadequate consideration

VII Taxability of Gifts received for nil or inadequate consideration

As per section 56(2)(x) of the I.T. Act, where any person receives debentures from any person on or after 1st April, 2017:

(a) without consideration, aggregate fair market value of which exceeds fifty thousand rupees, then the whole of the aggregate fair market value of such debentures or;
(b) for a consideration which is less than the aggregate fair market value of the debenture by an amount exceeding fifty thousand rupees, then the aggregate fair market value of such debentures as exceeds such consideration; shall be taxable as the income of the recipient at the normal rates of tax. The above is subject to few exceptions as stated in section 56(2)(x) of the I.T. Act. 72

VIII General Anti-Avoidance Rule ('GAAR)

In terms of Chapter XA of the I.T. Act, General Anti-Avoidance Rule may be invoked notwithstanding anything contained in the I.T. Act. By this Rule, any arrangement entered into by an assessee may be declared to be impermissible avoidance arrangement as defined in that Chapter and the consequence would be interalia denial of tax benefit, applicable w.e.f 1-04-2017. The GAAR provisions can be said to be not applicable in certain circumstances viz. the main purpose of arrangement is not to obtain a tax benefit etc. including circumstances enumerated in CBDT Notification No. 75/2013 dated 23 September 2013.

NOTES:

1. The statement of tax benefits enumerated above is as per the Income-tax Act, 1961, as amended by the Finance Act, 2018.
2. The stated benefits will be available only to the sole/ first named holder in case the debenture is held by joint holders.
3. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant tax treaty, if any, between India and the country in which the nonresident has fiscal domicile.
4. In respect of non-residents, taxes paid in India could be claimed as a credit in accordance with the provisions of the relevant tax treaty.
5. Surcharge is levied on individuals, HUF, association of persons, body of individuals and artificial juridical person at the rate of 10% on tax where total income exceeds Rs. 50 lakh but does not exceed Rs. 1 crore and at the rate of 15% on tax where the total income exceeds Rs. 1 crore.
6. Surcharge is levied on firm, co-operative society and local authority at the rate of 12% on tax where the total income exceeds Rs. 1 crore.
7. Surcharge is levied on domestic companies at the rate of 7% on tax where the income exceeds Rs 1 crore but does not exceed Rs. 10 crores and at the rate of 12% on tax where the income exceeds Rs. 10 crores.
8. Health and Education Cess is to be applied at 4% on aggregate of base tax and surcharge.
9. Several of the above tax benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws and subject to General Anti Avoidance Rules covered under Chapter X-A of the Act.
10. The above statement sets out the provisions of law in a summary manner only and is not complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of debentures/bonds.
11. The above statement covers only certain relevant benefits under the Income-tax Act, 1961 and does not cover benefits under any other law.
12. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SECTION IV - ABOUT THE COMPANY AND INDUSTRY OVERVIEW

INDUSTRY OVERVIEW

*The information in this section has been extracted from report titled "Indian Retail Non-Banking Finance Market" dated June, 2018 prepared by ICRA Research Services, a division of ICRA Limited ("**ICRA Report**") and various other publicly available documents, including ministries, trade, industry or general publications and other third-party sources as cited in this section. Industry websites and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. While we have exercised reasonable care in compiling and reproducing such official, industry, market and other data in this document, it has not been independently verified by us or any of our advisors, or any of the Lead Managers or any of their advisors and should not be relied on as if it had been so verified.*

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Overview of the Indian Economy

GDP and Growth Outlook

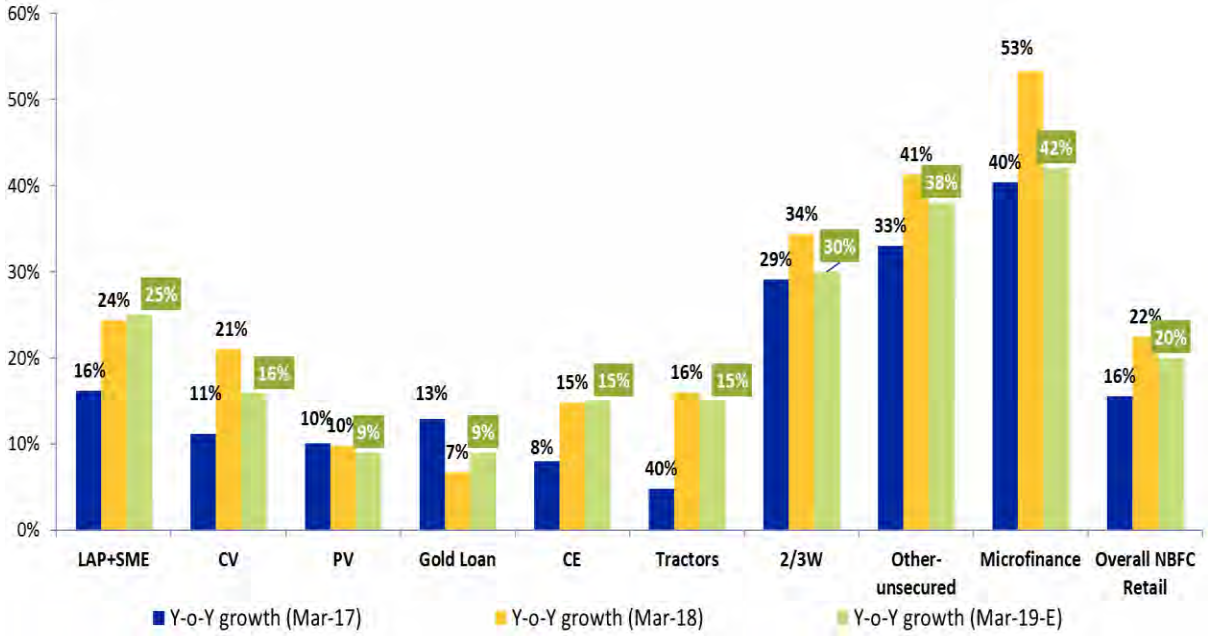
Indian economy continues to be one of the fastest growing economies around the world, despite the two major reforms, namely GST and demonetization that deterred the growth rate in the short run. With a policy change such as GST, which is of huge scale, scope and complexity, the transition unsurprisingly encountered challenges of policy, law, and information technology systems, which especially affected the informal sector in the country. In the second half of the 2017-2018, the economy witnessed signs of revival and turned in a resilient performance that was also entrenched in macroeconomic stability. Although real GDP growth was somewhat slower than in the preceding year, the turnaround in capital formation and construction activity, together with record agricultural production, considerably brightens the near-term outlook. The combination of (i) a steady easing of inflation for the fifth year in succession to undershoot the target in 2017-18, (ii) a modest current account deficit of 1.9% of GDP, and (iii) public finances having sturdily weathered the implementation of a major structural reform – the Goods and Services Tax (GST), reinforces the prospects for 2018-19. (***Source***: *RBI Annual Report, August 29, 2018*)

As per the International Monetary Fund's (IMF's) estimate, global growth is expected to pick up by 0.2% percentage points to 3.9% in 2018 and is projected to sustain at the same level in 2019. The domestic and international repercussions of expansionary fiscal policy in the US and terms of trade gains for commodity exporters are expected to be impulses of propulsion. Headwinds could nonetheless rise from further tightening of financial conditions, escalation of trade tensions and intensification of geo-political risks. Increasingly, financial markets are emerging as the main conduit for transmission of global spillovers to financial, and eventually, macroeconomic conditions in EMEs, including India. (***Source***: *RBI Annual Report, August 29, 2018*)

Overview of the NBFC Sector

Growth of NBFC Sector

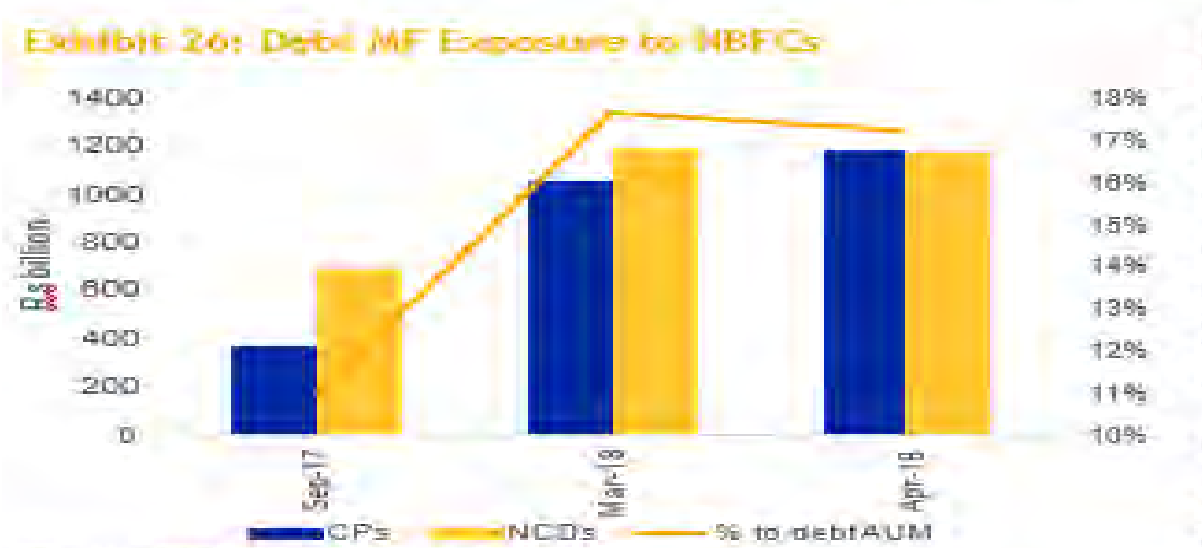
The Indian retail credit market stood at ~Rs. 34.8 trillion as on March 31, 2018, registering a YoY growth of about 20%. Growth trend has been on an upswing since Q2/Q3FY2018. While revival was witnessed in all key categories, impetus was largely from Housing Finance Companies (HFCs) and Non-Banking Financial Companies (NBFCs) during FY2018. The NBFC sector in India has undergone a significant transformation over the past few years. It has come to be recognized as one of the systemically important components of the financial system. NBFCs play a critical role in infrastructural development, employment generation, wealth creation opportunities and financial support for economically weaker sections. Specifically, NBFC-retail credit grew at 22% during 2017-18, highest in the last 4 years, to Rs. 7.5 trillion in March 2018. Revival was witnessed from Q3FY2018 as impact of GST implementation and spill-over effects of demonetization, on some key asset segments, waned. Key segments contributing to overall growth were loan against property and SME finance ("**LAP+SME**"), commercial vehicle ("**CV**"), personal credit (unsecured, including consumer durable) and microfinance, which in total account for 63% of the total NBFC-retail credit in March 2018. See the chart depicting Segmental Growth & Outlook below (***Source**: ICRA Report*)



*(**Source**: ICRA Report)*

Increase in the access to funding

Debt mutual funds', assets under management (AUM) increased to about Rs. 13.6 trillion in April 2018 from Rs. 9.5 trillion in September 2017, with the share of non-banking financial companies increasing to 17% from 11% during this period. Total funding to non-banking financial companies more than doubled to Rs. 2.2 trillion between September 2017 and March 2018 from about Rs. 1.0 trillion. The increase was largely observed in short-term funding (commercial papers; CPs), which almost tripled between September 2017 and March 2018, as short-term rates remained relatively favourable in relation to long-term funding rates. Consequently, the share of CPs in the overall MF funding to NBFCs increased to 50% in April 2018 from 35% in September 2017. (***Source**: ICRA Report*). The following chart depicts growth of debt mutual fund exposure to NBFCs:



(***Source***: *ICRA Report*)

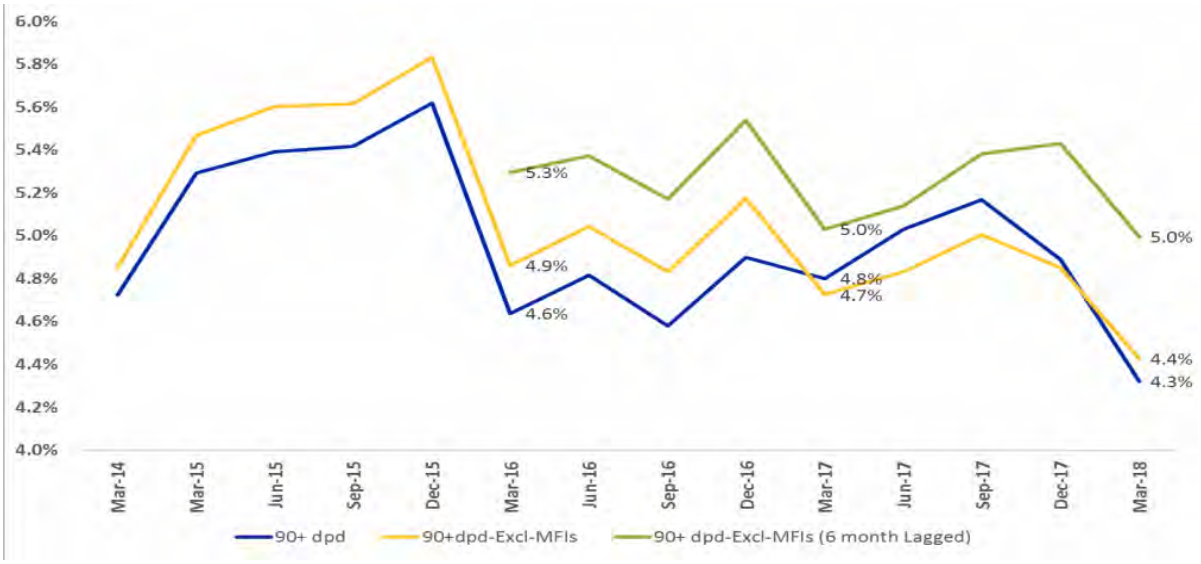
Access to FPI funding

RBI, via its notifications dated April 27, 2018 and May 1, 2018, brought in changes in FPI investments in debt and one such change is in relation to the minimum residual maturity requirement in relation to corporate bonds. The change now permits FPIs to invest in corporate bonds with minimum residual maturity of one year, thereby giving impetus to FPI investments in corporate bond market and increasing accessibility of NBFCs to funding from FPIs (***Source***: *ICRA Report*). The following chart depicts FPI investment trends:

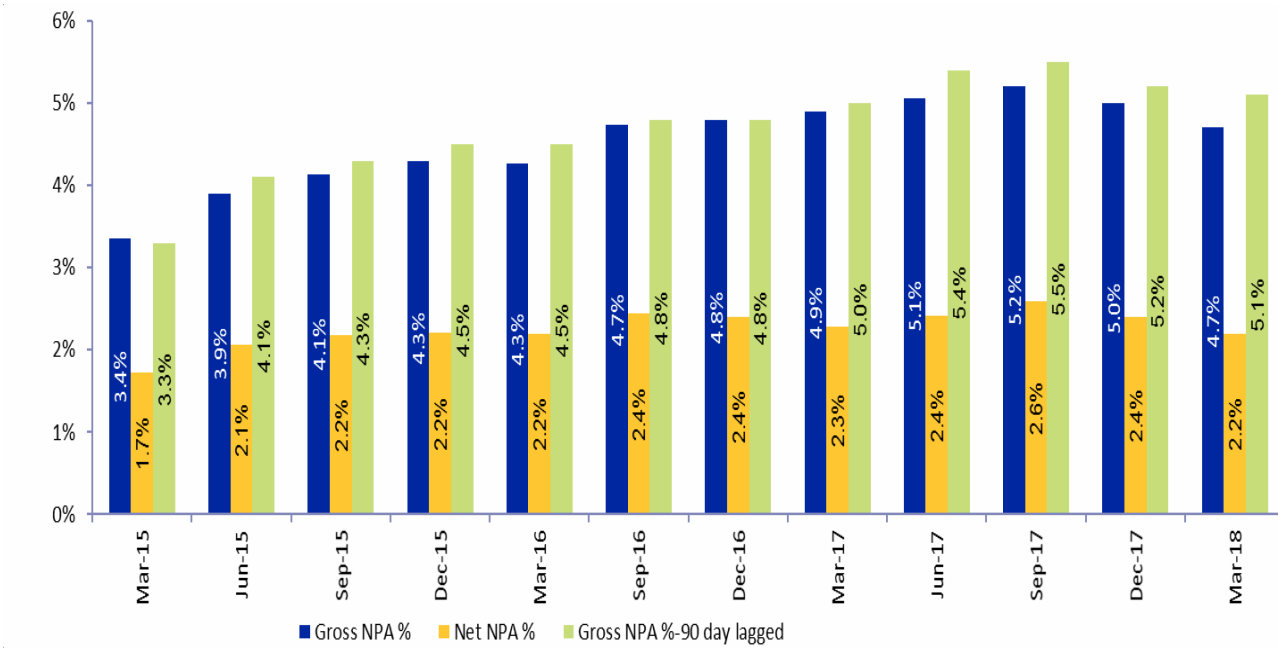


Improvement in Asset Quality

90+ days-past-due (dpd) (excluding micro-finance institutions) has moderated to 4.4-4.5% in March 2018 from 5.0% in September 2017. Further, dynamic delinquencies have improved or stabilized for most asset classes during the last two quarters. Furthermore, gross NPAs, in line with 90+dpds have moderated to 4.7% from 5.0% in December 2017. (***Source***: *ICRA Report*) The following charts depict the improvement in the asset quality and the moderation of gross NPAs:



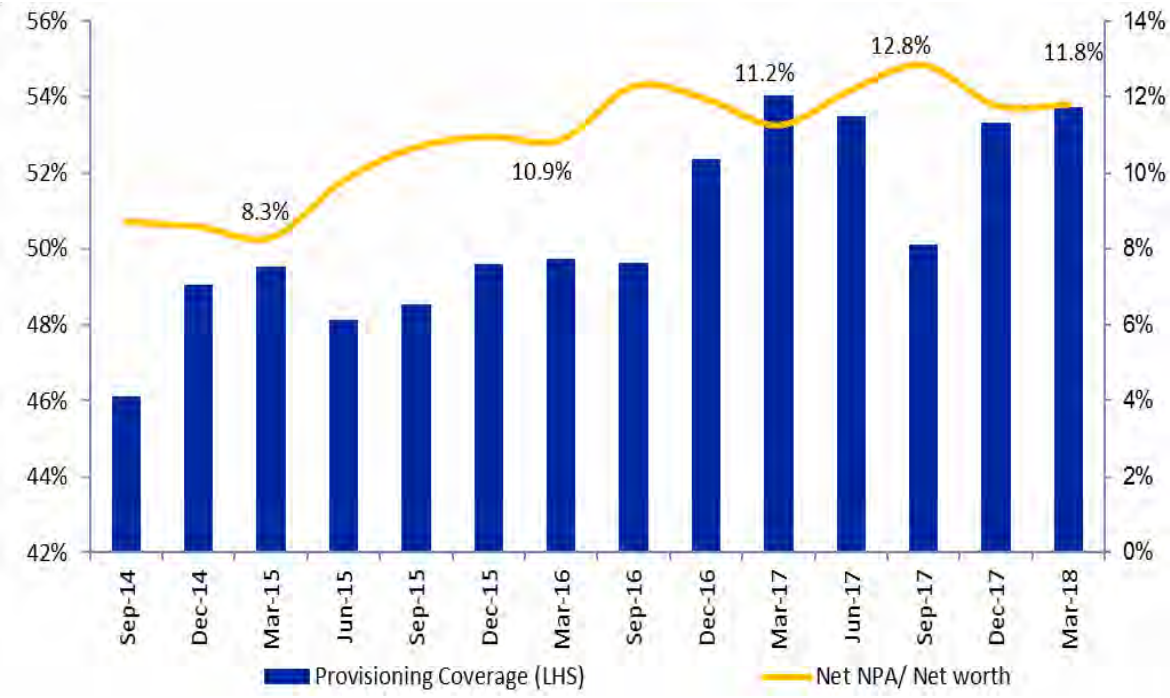
*(**Source**: ICRA Report)*



*(**Source**: ICRA Report)*

Improvement in provisional coverage

Provision coverage has improved to 54% in March 2018 as compared with 50% in September 2017 and solvency moderated to 11.8% as compared with ~13%. Entities improved provision coverage in view of the IND AS adoption from April 1, 2018 and the requirement to adopt Expected Credit loss (ECL) based provisioning from Q1FY2019.



(**Source**: *ICRA Report)*

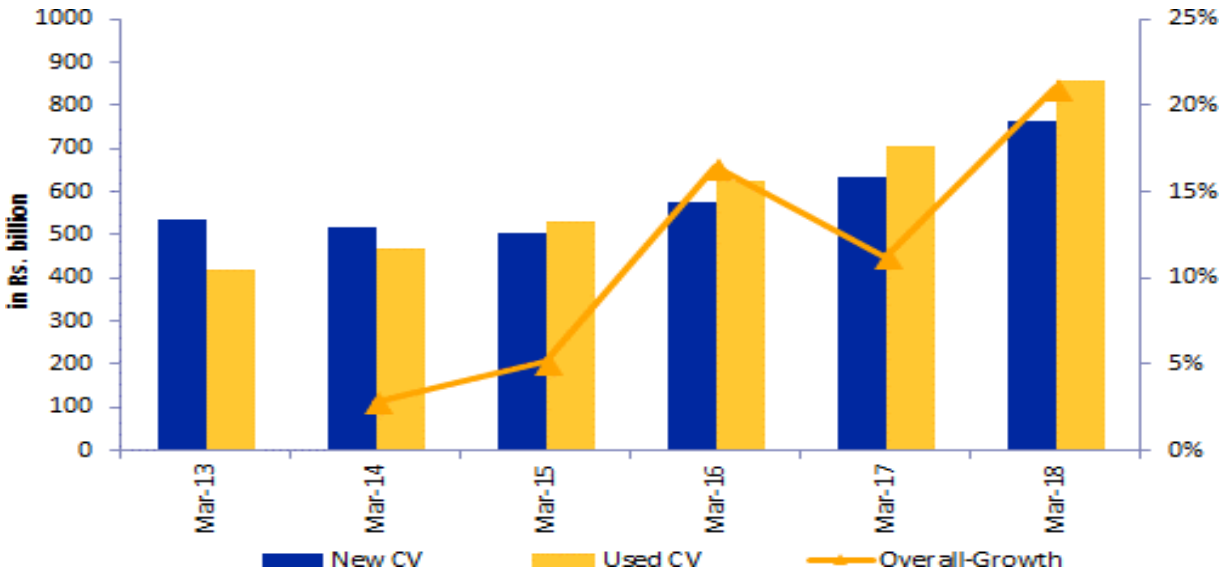
Overview of lending segments we are engaged in:

Commercial Vehicle (CV)

The domestic commercial vehicle (CV) industry led by truck segment has been on a recovery phase since the beginning of Q2FY2018. In FY2018, the domestic CV sales grew by 19.9%, primarily driven by healthy growth in the LCV (Truck) and M&HCV (Truck) segment, while bus sales have contracted sharply on back of weak SRTU orders. Within the CV space, the M&HCV (Truck) has grown by 19.4% in volume terms aided by pent-up demand post GST implementation, stricter implementation of overloading norms in select states as well as healthy demand for HCVs (from select industries like car carriers, petroleum products, container traffic). Likewise, the LCV (Truck) segment has also witnessed a strong growth of 29.5% in volume terms driven by replacement cycle, improving financing environment and pick-up in rural demand. While truck sales have picked-up sharply, demand for bus has weakened considerably (down 13.7% in FY2018) owing to weak orders from both SRTUs and private segment. The increased thrust on infrastructure projects as visible in the recent budget, higher demand from consumption-driven sectors and e-commerce logistic service providers, especially for LCVs and ICVs will continue to support demand for CVs into FY2019. However, growth momentum is expected to see some moderation, especially in the M&HCV segment owing sizeable capacity addition, especially in tonnage terms during FY2018. Accordingly, M&HCV Trucks are expected to register a growth of 4-6% in volume terms in FY2019. Nonetheless, if Government's plans (although delayed) on phasing out old diesel vehicles through proposed vehicle modernization program materialize, growth could be higher. (***Source***: *ICRA Report*)

LCV segment is on a structural uptrend and has witnessed swift recovery with improvement in liquidity situation. In the near-term, replacement-led demand (following almost three years of declining sales) and expectation of stronger demand from consumption-driven sectors and e-commerce would remain key growth drivers for the segment. Accordingly, LCV (Truck) segment is expected to register a growth of 9-11% in FY2019. In the bus segment, the

growth is expected to recover in FY2019 aided by expectation of replacement-led demand following a year of sharp contraction in bus sales. Bus sales are expected to grow by 12-14% in FY2019. (***Source**: ICRA Report*)



(***Source**: ICRA Report*)

Loan Against Property (LAP) & Small & Medium Enterprises Finance (SME Finance)

Growth in this segment revived as SME credit grew at a healthy clip of about 40% while the LAP segment grew at a modest 11% YoY as in March 2018. SME loans include loans secured by mortgages, plant and machinery, inventory, and unsecured loans. Overall growth in LAP and SME segment went-up in FY2018 as compared with FY2017 as the lenders interest in the segment improved as the uncertainties post demonetization, GST implementation and around property prices subsided. Overall credit growth in the LAP+SME segment was about 24% during FY2018. NBFCs are increasingly focusing on SME credit, for productive purposes vis-a-vis the conventional LAP, where the end use could be production or consumption. Larger NBFCs, in view of asset quality concerns and increased competitive pressure, have moderated their ticket sizes (focus largely on <Rs. 10 million). Niche positioning of NBFCs along with a differentiated product offering, good market knowledge, and large unmet demand, is likely to support their credit growth. Also, the emergence of the new-age NBFCs (average ticket size ~Rs. 1.0 million), with a focus on the small business loans segment, would provide them with the growth impetus going forward. The segment is expected to grow at about 23-25% in FY2019. (***Source**: ICRA Report*)

The sharp dip in growth during FY2017 mirrors the decline in the LAP portfolio of some large players in the segment, while slowdown in the growth rate was witnessed for others. SME credit however, continued to register a healthy 30+% growth in FY2017. LAP+SME portfolio of NBFCs registered a 17% growth in FY2017 as compared with a 33-34% growth in FY2015-FY2016. The following chart depicts movement in NBFC LAP+SME segment. (***Source**: ICRA Report*)



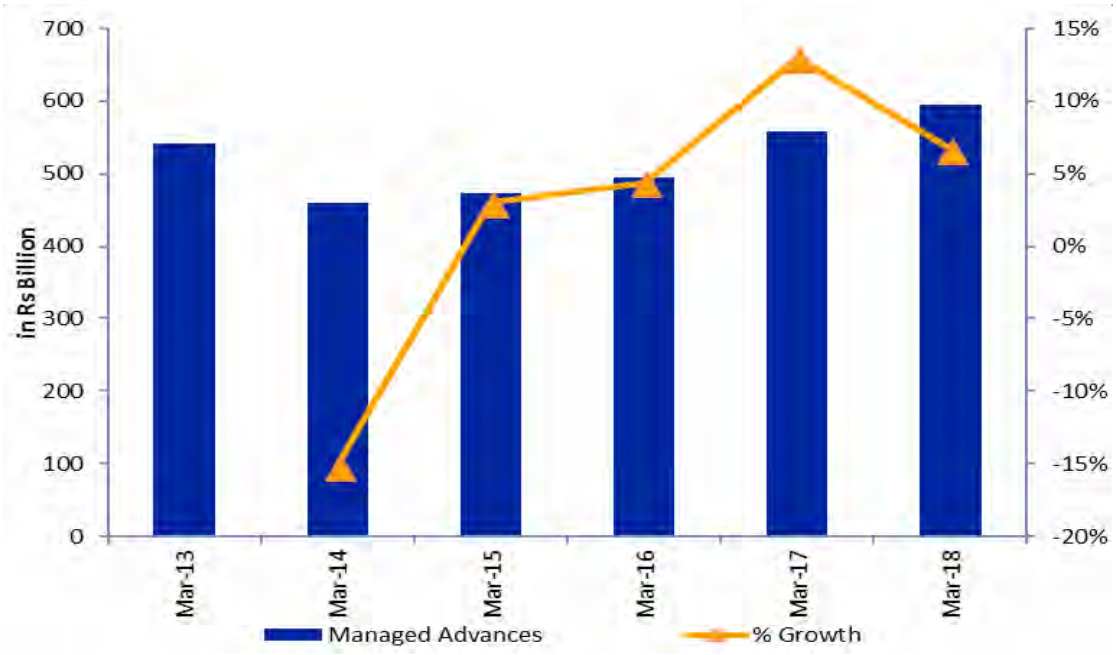
(***Source**: ICRA Report*)

Gold loans

Gold loan NBFCs are expected to register a moderate 7-10% growth in their gold loan portfolios in FY2019, with competitive pressures remaining high and subdued demand from some key target borrower segments, including small businesses. Competition is expected to remain high or further increase, going forward, with the emergence of new-age NBFCs, fin-tech entities, and as microfinance institutions (MFIs) and small finance banks (SFBs) further scale-up operations. Significant customer segment overlap, unsecured and longer term loan offerings by some of these entities could result in a moderate portfolio expansion of gold loan NBFCs over the medium term.

During FY2017 and FY2018, gold loan NBFCs undertook certain process and product level changes to mitigate the credit risk associated with adverse gold price movements while meeting borrower requirements. Initiatives including online gold loans and quick turnaround time for emergency loans augur well for future growth. Further, an expected steady transition from the large un-organized gold loan market provides some visibility for future growth for NBFC credit to this segment. Nevertheless, the gold portfolio of NBFCs is expected to grow at a lower rate in the medium-term vis-a-vis the overall retail NBFC credit expansion. (***Source**: ICRA Report*)

NBFC credit to the gold loan segment stood at about Rs. 595 billion as on March 31, 2018; registering a YoY growth of about 7%. The following chart depicts movement in the portfolio of gold segment.



*(**Source**: ICRA Report)*

Personal Credit

Personal credit by NBFCs have grown steadily over the years from its share of 8% as on March 2013 (including Microfinance) to 15% as on March 2018, propelled by new product offerings (consumer durable financing, lifestyle financing and personal loans), by leveraging on better borrower seasoning, improved availability of credit bureau data, and by augmenting their credit processes and distribution networks. As more entities are looking to diversify their portfolio and envisaging higher business yields, the share of unsecured credit is expected to expand and growth would remain robust. (**Source**: ICRA Report).

Key Growth Drivers – Lending Segments

The growth engines of FY2018, are expected to keep firing in FY2019 for retail-NBFCs to grow at about 20% (+1%). LAP+SME credit is expected to grow at a healthy 23-25% as credit flow from banks to this segment is likely to remain moderate because of limited expansion envisaged for overall banking credit and asset quality concerns faced by some banks. While, NBFCs being the key funders to the CV segment, would benefit from the likely increase in the sales and demand for second-hand CV before the BS-VI norms are implemented from FY2020; NBFC CV credit is expected to grow at 15-17%. Unsecured personal credit and microfinance are envisaged to expand at around 40% as more entities venture into the personal credit space and, as asset quality and collection related concerns in microfinance segment moderated. (***Source**: ICRA Report*)

Segment-wise opportunity in NBFC Space:

LAP+SME

Growth in LAP+SME segment (25% of NBFC retail credit) improved with increased demand post GST implementation, limited credit availability from banks and as concerns around property valuation etc., reduced. Demand also increased post GST implementation, as working capital requirement for SMEs went-up and, bank credit to the segment continued to grow at moderate pace (10% in FY2018 and 8% in FY2017). Therefore, NBFCs were able to stepped-up credit to this segment; and credit grew at a robust 26% during FY2018 vis-a-vis16% in FY2017.

While the growth was still lower than the 33-34% rate witnessed in FY2015 and FY2016, the revival indicates change in the lender's stance, as uncertainties around property valuation etc., which prevailed post demonetization, subsided. Lenders, however, continued to focus on lower ticket loans (< Rs.10 million); emergence of new- age NBFCs with focus on micro and small enterprises also contributed to overall segmental growth (***Source**: ICRA Report*).

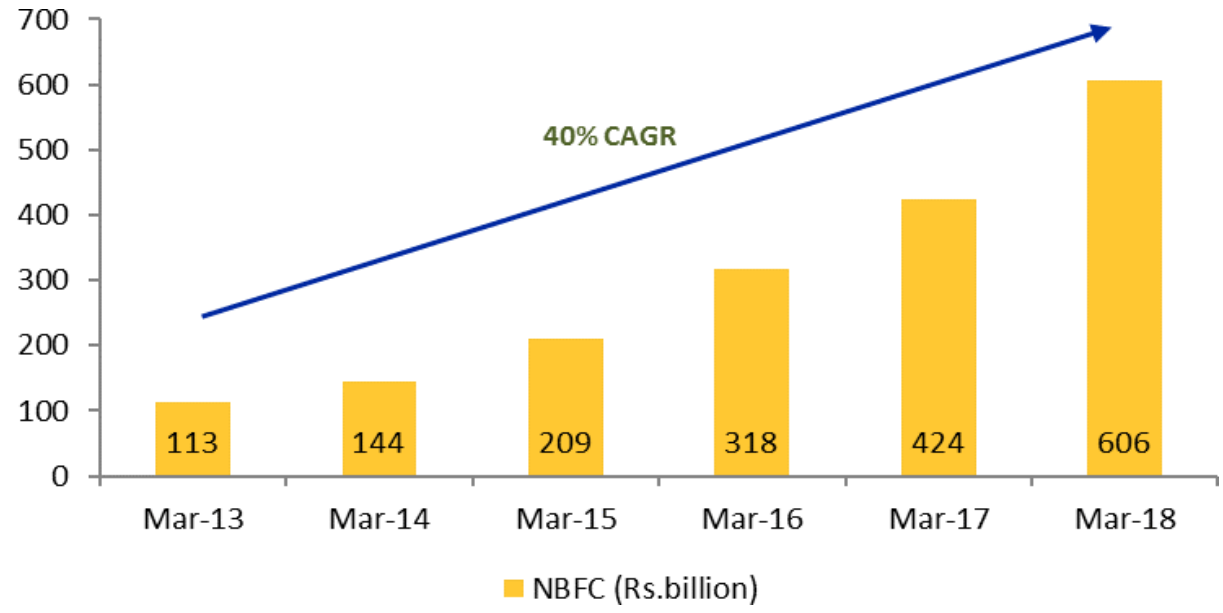
Commercial Vehicle

NBFC CV credit, which accounted for 22% of the total NBFC-retail credit in March 2018, had seen a steady reduction in its share in overall credit pie, as other asset segments grew at a faster pace. Strong growth in CV sales (about 20%) during FY2018 with volumes crossing the previous peak of FY2012 supported the credit growth. As per ICRA estimates, CV sales growth in the current year is also expected to be at about 9-10%, which along with used CV demand would support overall NBFC credit growth in the current year. Banks currently account for about 33% of the total credit outstanding to the segment. NBFCs face competitive pressures from banks, especially private sector banks, in new CV financing, however NBFCs are the principal funders in the used CV category (***Source**: ICRA Report*).

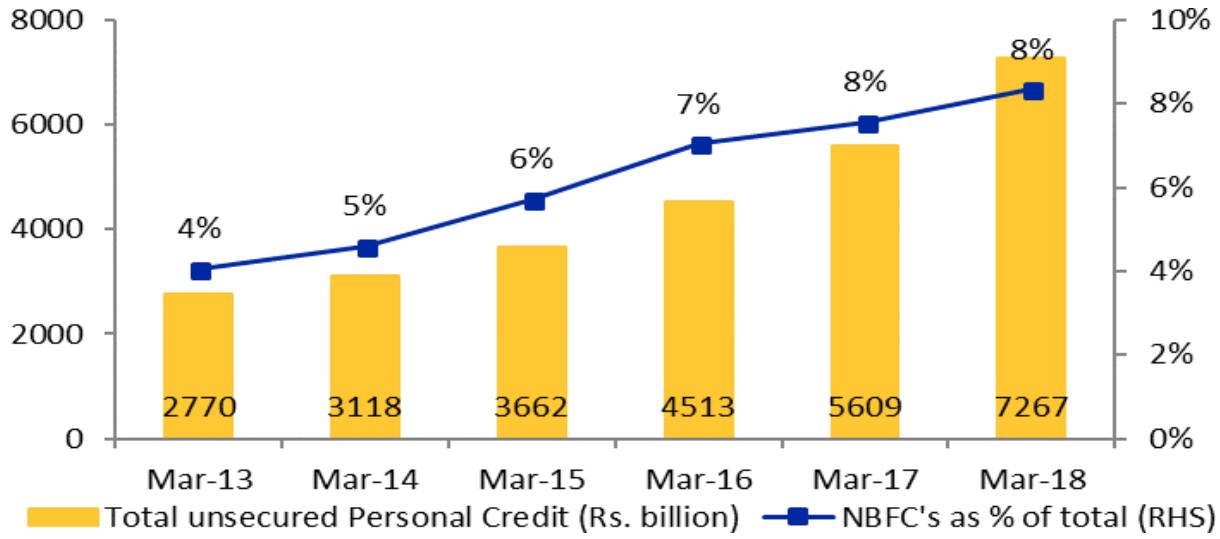
Personal Credit

Personal credit by NBFCs have grown steadily over the years from its share of 8% as on March 2013 (including Microfinance) to 15% as on March 2018, propelled by new product offerings (consumer durable financing, lifestyle financing and personal loans), by leveraging on better borrower seasoning, improved availability of credit bureau data, by augmenting their credit processes and distribution networks, using online and digital technology platforms like website and mobile based applications to undertake credit and risk assessment and credit under-writing. Substantial opportunities can be harnessed by deployment of technology fostered by the '*Digital India*' movement and the government's thrust to transform India into a cashless economy.(***Source**: ICRA Report*)

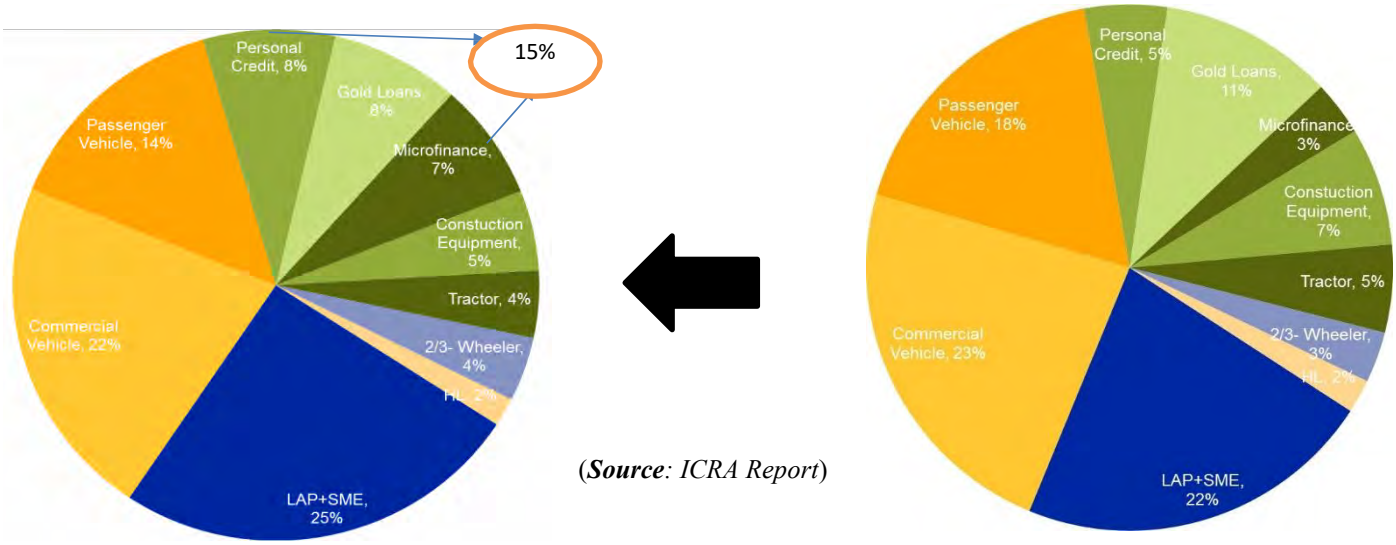
NBFC unsecured personal credit, on a low base, grew at a CAGR of 40% over the last 5 years as compared with overall segmental growth of 21%; bank's exposure to this segment grew by 20% CAGR during the above-mentioned period. NBFCs are also witnessing an increase in the unsecured SME (includes all exposures that are not backed by mortgage collateral) credit post emergence of new-age and fintech companies and as conventional NBFCs diversified to this segment on the back of better customer understanding and for product diversity. Overall unsecured credit (including microfinance) in NBFC retail pie is estimated to be about 20% as in March 2018. (***Source**: ICRA Report*). The following charts depict NBFC unsecured credit trends and total unsecured credit trends:



(***Source***: *ICRA Report*)



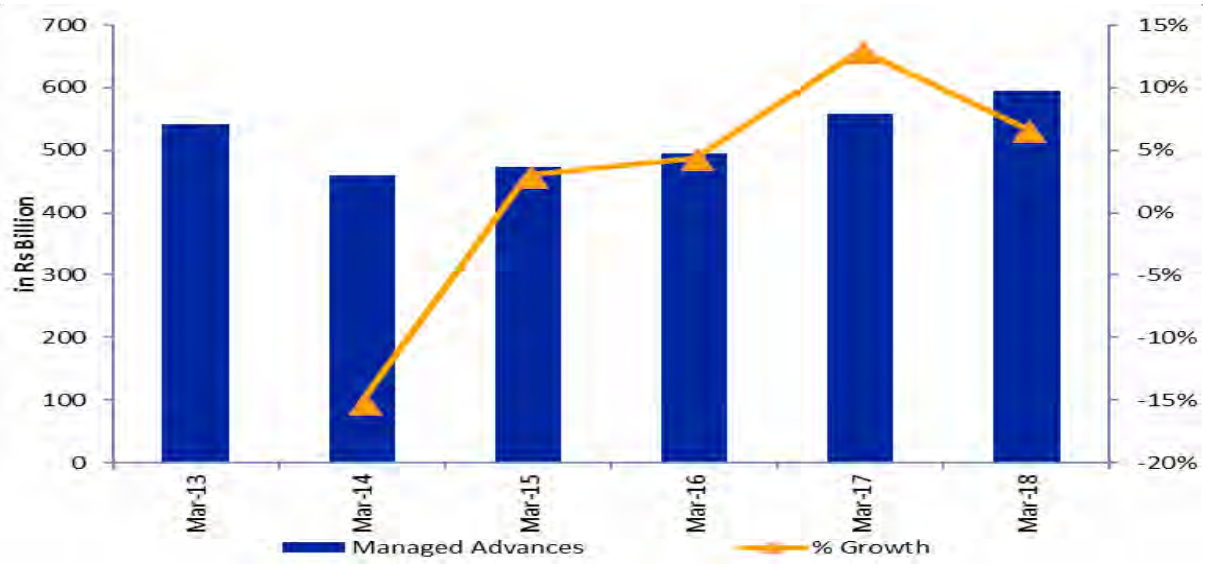
(***Source***: *ICRA Report*)



(***Source***: *ICRA Report*)

Gold loans

During FY2017 and FY2018, gold loan NBFCs undertook certain process and product level changes to mitigate the credit risk associated with adverse gold price movements while meeting borrower requirements. Initiatives including online gold loans and quick turnaround time for emergency loans augur well for future growth. Further, an expected steady transition from the large unorganized gold loan market provides some visibility for future growth for NBFC credit to this segment. (***Source***: *ICRA Report*)



(***Source***: *ICRA Report*)



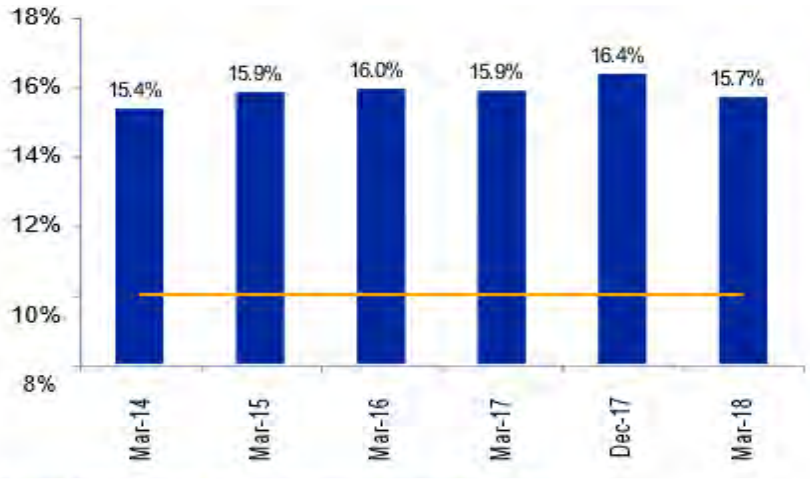
*(**Source**: ICRA Report)*

Micro Finance

Microfinance segment is estimated to grow 40-45% in FY2019. Growth will be driven by penetration in new geographies and higher ticket sizes. Further, asset quality related pressures have moderated and NBFC/MFIs are able to tap to equity and debt funding which would support robust growth. (***Source****: ICRA Report*)

Key Growth Factor –Capitalization of NBFCs

The capital profile is comfortable with the net worth in relation to managed assets. ICRA expects the capital profile for NBFCs to remain adequate over the medium term. (***Source***: *ICRA Report*)

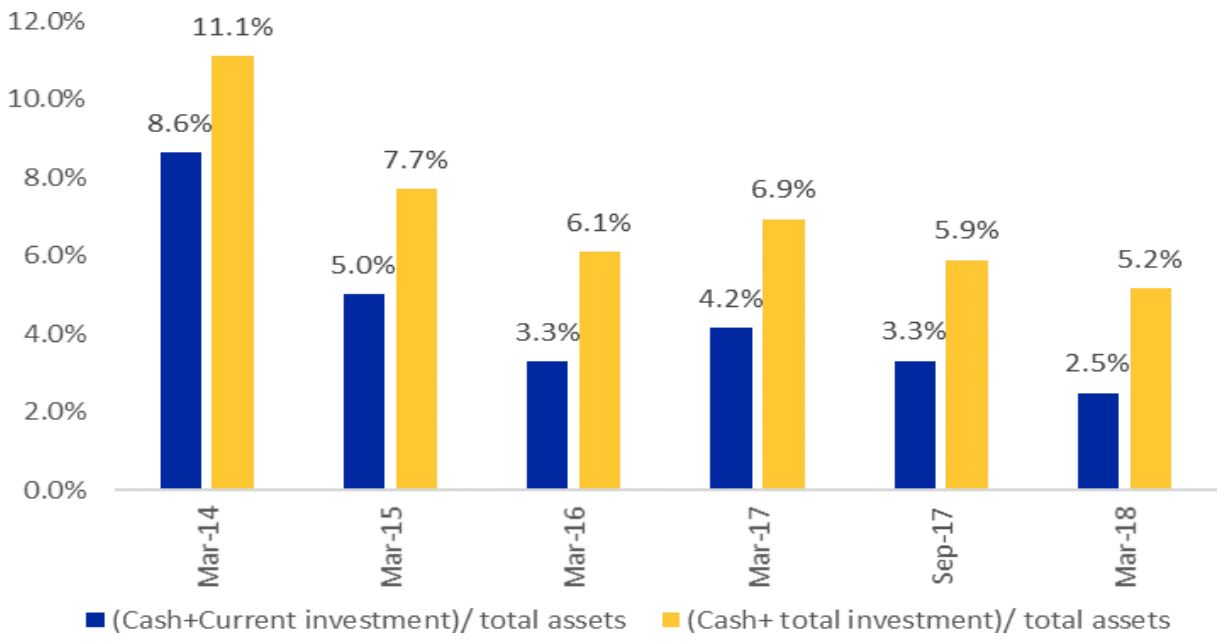


*(**Source**: ICRA Report)*

Key Risks

General Factors

While the growth drivers are in place; twin effects of increased borrowing rates and expected shrinkage in funding sources could impact growth to an extent. Furthermore, tightening in liquidity and peaking in the exposure levels from the various funding sources, NBFCs are likely to witness higher pricing pressure as competition in the retail segment intensifies going forward. However, larger NBFCs can tap the public issue route to partly alleviate their funding and liquidity concerns; impact would be more profound for the small and mid-sized NBFCs affecting their business growth and financial risk profile.(***Source****: ICRA Report*) The following chart depicts the liquidity trends since FY2014:



(***Source***: *ICRA Report*)

Competitive Environment

Competitive pressures for retail-focused NBFCs are likely to intensify going forward, especially in the large ticket size loan categories like M&HCV and mortgage in an increasing interest rate scenario. Nonetheless, NBFCs' niche positioning, differentiated product offering, good market knowledge and large customer outreach is expected to enable them to continue to tap opportunities and grow their retail book. (***Source***: *ICRA Report*)

Higher Cost of Funding

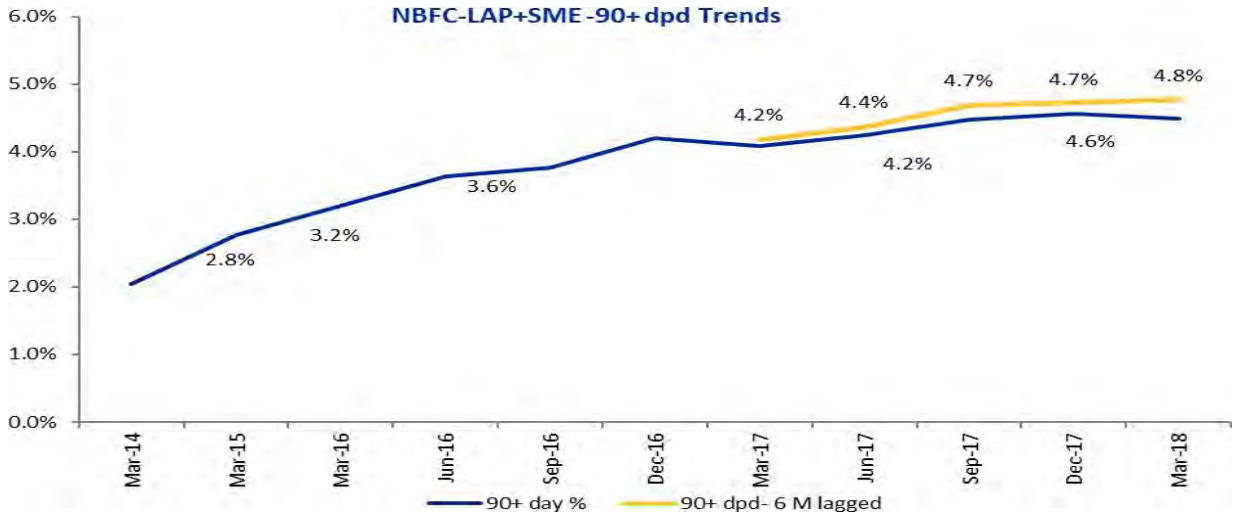
About 50% (NCDs + CPs) of NBFC borrowings are largely at a fixed rate, while 35-37% of their bank borrowings get re-priced, on a quarterly or annual basis. As the share of bank borrowings started to increase from Q2 FY2018 and as borrowings with annual reset dates are expected to get re-priced from August-September onwards, retail NBFCs are expected to face increased pricing pressure in H2 FY2019. This is in addition to the high prevailing market rates. The borrowing costs of retail-NBFCs moderated steadily over the last two years, with the 12-month trailing cost at 8.5% in March 2018. With the ICRA rating median for retail-NBFCs (excluding NBFC-MFIs) at AA-, the incremental weighted average funding cost for the sector is expected to be about 9.3-9.5%. Thus, based on the debt maturity profile, and incremental funding requirement, the weighted average cost of funding for NBFCs could be higher by a minimum of about 45 bps in FY2019. (***Source:****ICRA Report*).

Key Risks – Lending Segments

LAP+SME

Delinquencies in the LAP+SME segment continue to remain high, with 90+dpd as on March 31, 2018 at 4.5% (4.5% in September 2017) compared to 4.1% as on March 31, 2017 (3.2% as on March 31, 2016). Since a bulk of the LAP and SME loans are taken by self-employed borrowers, in the unorganized sector, for business needs, muted operating environment impacted this segment's cash flows. The above, along with the GST- related business impact, is likely to keep delinquencies at high levels, in the near to medium term. ICRA also notes that borrowers in this segment resorted

to refinancing of loans with new lenders to manage liquidity pressures in the past. This practice slowed down now with more stringent credit appraisal processes being followed by lenders. While lifetime losses on secured LAP+SME loans are partly limited by the underlying collateral and moderate LTVs, a downward movement in property prices could expose lenders to higher levels of credit in this segment. (***Source**: ICRA Report*) The following chart depicts the trends in 90+dpd in this segment:



*(**Source**: ICRA Report)*

Gold loan

Gold loan NBFCs may register a moderate 7-10% growth in their gold loan portfolios in FY2019, with competitive pressures remaining high and subdued demand from some key target borrower segments, including small businesses. Significant customer segment overlap, unsecured and longer term loan offerings by some of these entities could result in a moderate portfolio expansion of gold loan NBFCs over the medium term. Nevertheless, ICRA expects the gold portfolio of NBFCs to grow at a lower rate in the medium-term vis-a-vis the overall retail NBFC credit expansion. (***Source**: ICRA Report*)

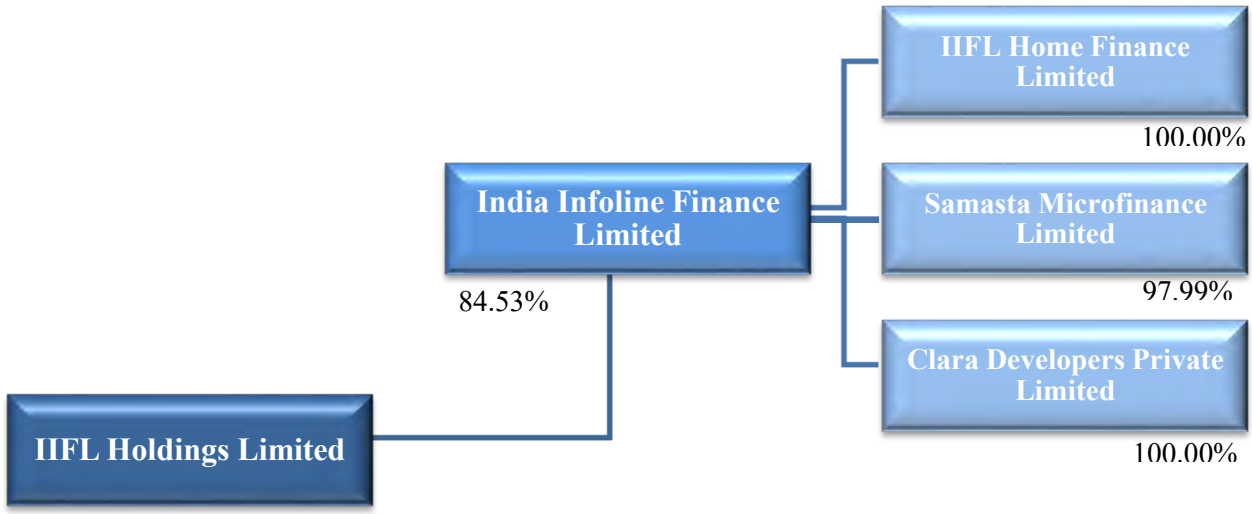
OUR BUSINESS

*Some of the information in the following section, especially information with respect to our plans and strategies, contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. This section should be read in conjunction with the sections "**Forward Looking Statements**", "**Risk Factors**", and "**Financial Statements**" on pages 16, 17, and 169, respectively, of this Draft Shelf Prospectus. Unless otherwise indicated, the financial information included herein is based on our Reformatted Summary Financial Statements for Fiscals 2018, 2017, 2016, 2015 and 2014 and our Limited Review Financial Statement for and as at the half year ended September 30, 2018, as included in this Draft Shelf Prospectus. Our Reformatted Summary Financial Statement for the Fiscals 2018, 2017, 2016, 2015 and 2014 included in this Draft Prospectus have been prepared in accordance with Indian GAAP and the SEBI Debt Regulations and our Limited Reviewed Financial Statement for and as at the period ended September 30, 2018 have been prepared in accordance with Ind AS. Our fiscal year ends on March 31 of each year and references to a particular fiscal year are to the twelve months ended March 31 of that year.*

Overview

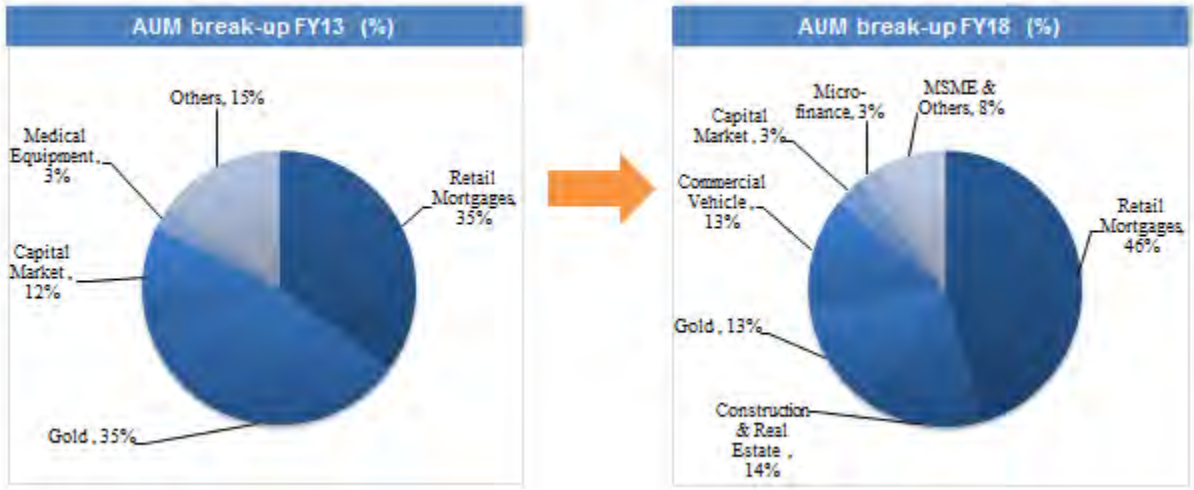
Our Company is a Systemically Important Non-deposit accepting Non-Banking Financial Company ("**NBFC-ND-SI**") registered with the RBI, catering to the credit requirements of a diverse customer base with its plethora of products. Our offerings include mortgage loans, gold loans, commercial vehicle finance, MSME finance, construction and real estate finance, capital market finance, and micro finance; catering to both retail and corporate clients. Our Company is a subsidiary of IIFL Holdings Limited, which is one of India's leading financial services player, primarily engaged in the business of loans and mortgages, wealth and asset management, retail and institutional broking and investment banking.

The following diagram sets out an overview of our shareholding structure as at the date of this Draft Shelf Prospectus.*



*The board of director of our parent company, IIFL Holdings Limited, on its meeting held on January 31, 2018, has approved a composite scheme of arrangement, which has been filed with NCLT for approval, upon receiving the approval, the existing structure will go revamped. For further details, refer to section titled "*History and Main Objects*" on page 119 of this Draft Shelf Prospectus.

Over the past several years, we have diversified our products and expanded our presence into segments that are of greater relevance to the evolving business environment and customer demand trends. Our product offering evolution is depicted below:



Our Company recorded a strong CAGR of 31% in AUM over the five year period from Fiscal Year 2013 to Fiscal Year 2018. As at March 31, 2018, March 31, 2017 and March 31, 2016, our consolidated assets under management were Rs.311,336.29 million, Rs. 222,810.37 million and Rs.195,143.80 million, respectively.

Our product wise split of assets under management on a consolidated basis is as under:

(Rs. In million)

Products	**AUM (Consolidated basis)**		
	March 31, 2018	**March 31, 2017**	**March 31, 2016**
Mortgage Loans	143,114.24	109,633.96	77,193.82
Construction and Real Estate Finance	45,847.21	30,825.59	32,738.50
Gold Loan	40,368.87	29,095.71	29,143.60
Commercial Vehicles Financing	40,661.17	29,740.44	22,820.94
Capital Markets Financing	10,625.96	11,041.10	25,979.49
SME Loans & Others	22,312.65	10,082.75	7,267.46
Microfinance	8,406.19	2,390.83	-
Total AUM	311,336.29	222,810.37	195,143.80

The following table sets forth certain key performance metrics on a consolidated basis, as of and for the periods indicated:

(Rs. In million)

Particulars	**September 30, 2018***	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**
AUM	363,732.93	311,336.29	222,810.37	195,143.80
PAT[#] (post minority/non-controlling interest)	3,572.59	5,543.01	4,231.96	3,387.00
NIM (on average loans) (%)	7.0%	7.1%	6.5%	6.2%
Cost/income ratio (%)	45.8%	39.1%	40.1%	44.0%
ROA (%)	2.1%	2.1%	2.0%	1.9%
ROE (%)	18.9%	15.0%	15.2%	16.9%
GNPA (%)	2.2%	1.7%	1.8%	1.4%
NNPA (%)	1.0%	0.8%	0.6%	0.5%
PCR (% including Stage 1 and Stage 2 provision/ standard asset provision)	137.0%	79.5%	92.4%	89.7%
No. of employees	15,549	12,135	7,676	7,213
No. of branches	1,755	1,378	1,112	997

*Figures are as per Ind AS
#Net consolidated profit for the period/year ended.

Our revenue from operations and profit after tax on a consolidated basis grew at a CAGR of 17.26% and 22.53%, respectively over the last three Fiscals. Our revenue from operations and profit after tax on a standalone basis grew at a CAGR of 5.22% and 12.69%, respectively over the last three Fiscals.

For the half year ended September 30, 2018 and Fiscals 2018, 2017 and 2016, our total revenue from operations on a consolidated basis was Rs. 23,811.59 million, Rs. 38,154.66 million, Rs. 31,421.24 million, and Rs. 27,087.86 million; and on a standalone basis was Rs. 14,446.99 million, Rs. 24,991.01 million, Rs. 22,636.98 million, and Rs. 21,767.66 million respectively.

Our profit after tax on a consolidated basis for the half year ended September 30, 2018 and for the Fiscals 2018, 2017, 2016 was Rs. 3,572.59 million, Rs. 5,543.01 million, Rs. 4,231.96 million, and Rs. 3,387.00 million; and on a standalone basis was Rs. 2,159.33 million, Rs. 3,544.97 million, Rs. 3,427.28 million, and Rs. 2,717.32 million respectively.

The following table sets forth the Key Operational and Financial Parameters on a consolidated basis:

(Rs. In million)

Parameters	March 31, 2018	March 31, 2017	March 31, 2016
Networth *	39,166.93	35,314.41	24,485.68
Total Debt	249,058.77	181,041.16	153,127.00
Non Current Maturities of Long Term Borrowings	103,601.67	107,012.73	86,306.68
Short Term Borrowings	98,283.10	54,003.27	33,547.36
Current Maturities of Long Term Borrowings	47,174.00	20,025.17	33,272.96
Net Fixed Assets	759.85	578.20	603.59
Non Current Assets**	18,738.67	13,958.12	6,941.48
Cash and Cash Equivalents	13,546.31	19,897.29	6,036.80
Current Investments	8,866.46	10,351.50	3,202.37
Current Assets***	9,945.48	7,370.48	6,491.29
Current Liabilities****	20,296.47	15,693.54	13,413.02
Assets Under Management	311,336.29	222,810.37	195,143.80
Off Balance Sheet Assets	35,181.14	30,011.90	17,448.76
Revenue from Operations	38,154.66	31,421.24	27,087.86
Finance Cost	19,636.93	17,894.20	16,064.14
Provisioning & Write-offs	3,129.01	1,759.02	1,087.14
PAT (Post Minority)	5,543.01	4,231.96	3,387.00
Gross NPA (%)	1.71%	1.82%	1.44%
Net NPA (%)	0.79%	0.58%	0.54%
Tier I Capital Adequacy Ratio (%) #	14.97%	18.13%	11.66%
Tier II Capital Adequacy Ratio (%)#	1.35%	2.59%	6.05%
Gross Debt-Equity Ratio of the Company#	6.36	5.13	6.25

**Networth means share capital plus reserves less miscellaneous expenditure to the extent not written off*
*** Non current assets includes non-current investments, deferred tax assets (net), long term loans and advances-others and other non-current assets.*
**** Current assets includes trade receivables, other short term loans and advances and other current assets.*
***** Current liabilities includes trade payables, short term provisions and other current liabilities.*
 # Figures on standalone basis.

We have maintained our asset quality over the years, which is reflected in our low levels of NPAs (gross and net). The NPAs as a percentage of our consolidated Loan Book is as set out below:

Financial Year	Gross NPA as a % of the loan book	Net NPA as a % of the Loan Book (net of provisioning)
March 31, 2016	1.44	0.54
March 31, 2017	1.82	0.58
March 31, 2018	1.71	0.79

The following table sets forth details of our non-performing assets and provisions as at March 31 2018, 2017 and 2016 on a consolidated basis.

(Rs. in million)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Loan Book	2,76,155.14	1,92,798.48	1,77,695.05
GNPA	4,732.13	3,518.01	2,553.85
GNPA as % of Loan Book	1.71%	1.82%	1.44%
Provision against NPA	2,561.09	2,405.26	1,590.89
NNPA	2,171.04	1,112.75	962.96
NNPA as % of Loan Book	0.79%	0.58%	0.54%
Provision towards Standard assets	1,202.38	843.98	700.58
PCR % - Specific provision	54.12%	68.37%	62.29%
PCR % - Overall provision	79.53%	92.36%	89.73%

We are subject to capital adequacy ratio ("**CAR**") requirements prescribed by RBI. We are currently required to maintain a minimum of 15% as prescribed under the Prudential Norms of RBI based on our total capital to risk weighted assets. As part of our governance policy, we ordinarily maintain capital adequacy higher than statutorily prescribed CAR. As of September 30, 2018 our capital adequacy ratio computed on the basis of applicable RBI requirement was 18.67% as compared to a minimum of capital adequacy requirement of 15% stipulated by RBI.

Set forth below is our capital adequacy ratio for the last five fiscal years on a standalone basis.

Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Capital Adequacy Ratio	16.32%	20.71%	17.71%	18.02%	17.65%
Tier I Capital	14.97%	18.13%	11.66%	11.26%	12.74%
Tier II Capital	1.35%	2.59%	6.05%	6.76%	4.91%

Our Strengths

We believe that the following are our key strengths:

Well established brand and strong promoter support, along with an experienced management team

We believe we benefit extensively from our Promoter, IIFL Holdings, which is a diversified financial services company with a pan-India presence. '*IIFL*' is a well-established brand among retail, institutional and corporate investors in India. IIFL Holdings is currently listed on NSE and BSE and along with its subsidiaries, offers a wide range of products and services including retail broking, institutional equities, commodities and currency broking, wealth advisory, credit and finance, insurance broking, asset management, financial products distribution and investment banking.

We believe we have been able to leverage on our Promoter's experience in the financial services industry to develop deep understanding of the market and related opportunities, gauge customer expectations and design suitable products for our target customer base. We believe that we will continue to derive significant marketing and operational benefits from our association with the group. For further information please refer to the section titled "***Our Promoter***" on page 142.

We are led by qualified and experienced Board of Directors and key managerial personnel. The Board comprises seven directors with significant experience in the banking and finance sector. The members of our executive management team also have significant experience in the products and services offered by us. We believe that our senior management and experienced executives are and would continue to be the principal drivers of our growth and success in all of our businesses; and that their extensive relevant experience and financial acumen will continue to provide us with a distinct competitive advantage. Our management organization structure is designed to support each product line with a dedicated team of executives with substantial experience in their particular business segment.

Diversified product portfolio catering to a wide customer base

Our Company aims at promoting inclusive growth and with a wide variety of loan products including home loans, loans against property, commercial vehicle finance, gold loans, loans against securities, small and medium enterprise financing and micro finance, caters to all types of customers in the country – salaried, self-employed, informal sector, HNIs and corporates. We have a widespread network of branches spanning the length and breadth of the country which facilitates servicing a broad customer base while reducing dependency on a single or small number of regions. Our branch network also helps us adopt best practices developed in a region across all our branches. We provide multiple products from our branches thereby providing better accessibility to clients, reducing operating costs and improving total sales.

Strong asset quality with consistent low level of NPAs

The quality of our loan portfolio is reflected in the consistent low level of NPAs. We believe that our robust credit approval mechanisms, credit control processes, audit and risk management processes and policies help us maintain the quality of our loan portfolio. We have in place product specific lending policies, credit approval committees and regular monitoring of exposures. We routinely monitor credit risk, risk concentration and compliance with board approved policies. Credit monitoring for retail products is undertaken at portfolio level wherein risk assessment is undertaken on various parameters like demographics, sector, geography, etc. As part of the credit assessment, we analyze past financial information, applicant's business performance/earnings history to assess their ability to repay loans. In addition to document verification and credit bureau reports, we conduct site verifications, interviews, as well as market and banking reference checks on the applicant, co-applicant and guarantor, as applicable. For institutional borrowers, additional assessment is undertaken on parameters of viability of business, credit history, and reputation and experience of the relevant promoters/founders/management of the organization. Additionally, as on September 30, 2018, 88.35% of our consolidated Loan Book is secured with adequate collaterals which helps mitigate risks further.

As on September 30, 2018, on a consolidated basis, our Net NPA constituted 1.05% of our loan book, as compared to 1.09% of our loan book as on September 30, 2017. As on September 30, 2018 on a consolidated basis, our Gross NPA constituted 2.21% of our Loan Book, as compared to 1.95% of our Loan Book as on September 30, 2017. Total provisions coverage (including Stage 1 and Stage 2 provisions (as defined hereinafter)) for September 30, 2018 on a consolidated basis is 137.02%. Our specific provision coverage ratio is 52.64% of gross NPAs as on September 30, 2018.

Diversified funding sources and strong credit profile

Our funding requirements are currently predominantly sourced through term loans from banks, issue of redeemable non-convertible debentures on public and private placement basis, cash credit from banks including working capital loans, and commercial papers. We have access to funds from multiple classes of credit providers, including public sector banks, private commercial banks, insurance companies and mutual funds. Our Company also issued masala bonds (Rupee denominated bonds) during the Fiscal Year 2019. We believe that we have developed stable long term relationships with our lenders and have established a track record of timely servicing of our debts.

In relation to our long-term debt instruments, we currently have long term ratings of AA (stable) from ICRA, AA/Stable from CRISIL and AA+ stable from Brickwork Ratings, which indicates a high degree of safety regarding timely servicing of financial obligations and carry very low credit risk. Further, in relation to our short-term debt instruments, we currently have short term rating of A1+ from CRISIL and A1+ from ICRA. We believe we are able to borrow from a range of sources at competitive rates.

Set forth below is our average cost of borrowing for the last three fiscal years on a consolidated basis.

Year	March 31, 2018	March 31, 2017	March 31, 2016
Average cost of borrowing	8.53%	9.29%	10.40%

Well defined processes

We believe our well-defined business processes ensure efficient achievement of organisational tasks and in turn effective service to our customers. Our robust credit approval and credit control processes, centralized operations

unit, independent audit unit for checking compliance with the prescribed policies, and risk management processes and policies provide for multiple checks and verifications for both legal and technical parameters. Our loan approval and administration procedures, collection and enforcement procedures are designed to minimize delinquencies and maximize recoveries.

We are incrementally leveraging technology to streamline processes across the loan lifecycle including sourcing and on-boarding, underwriting, administration, monitoring and collection in order to further improve turnaround times, enhance the quality of service provided to customers as well as achieve a higher degree of productivity within the organization. We believe technology driven processes will facilitate us to respond to market opportunities and challenges swiftly, help monitor process and performance, and improve our risk management capabilities.

Strong physical and digital footprint

A strong physical as well as digital footprint is very important in our business, as it increases reach and access to customers. Physical presence is required in the gold and commercial vehicles loans business as well as in the micro finance segment whereas a digital identity provides wider access in the home, personal and MSME loan categories. We have steadily expanded our branches over time, the count growing from 997 in Fiscal Year 2016 to 1,755 as at September 30, 2018. Our widespread branch network enhances the brand equity and enriches customer experience. Our branch network well spread across Tier I/II and III cities across the country. Our microfinance branches are well entrenched in rural and semi-urban areas as well, effectively serving the relevant customer segment. In line with our strategy to achieve greater digitization in the organisation, and considering the ever increasing penetration of internet and mobile services in the country, we also have in place advanced technology led systems for loan applications through our website and portable tablet based applications. This caters to the growing section of population which prefers or is incrementally relying on digital channels to access services. Our cross-country branch presence coupled with well-developed digital infrastructure gives us a widespread presence across channels and enables us to access and service a diverse customer base and their multiple credit requirements.
For a representation of the geographic distribution please refer to the section titled “Our Business” on page 98.

Technology focus

We believe that technology is a business enabler for our Company. It aids in product innovation, cost optimization and superior customer experience thereby creating balanced scalable growth models. We have been continuously digitizing our internal processes and service offerings. Our technology initiatives have helped us improve the overall efficiency across our business functions and processes.

We believe that our end-to-end digitized processes, robust loan management system and strong analytics abilities offer us a significant competitive advantage. Our systems have the capability of end to end customer data capture, computation of income, margin monitoring, collateral data capture, and repayment management. Our loan approval is controlled by the loan application system. Our systems are customised for our services and help us reduce turnaround time and enhance our processes and operational excellence. Our systems fully integrate businesses in every aspect bringing together various departments in simple transitions and customer information updates. Continuous enhancement of our technology capabilities allows us better informed decision making and faster execution along with strong internal control mechanisms.

Our strategies

Our key strategy is to steadily grow high quality, diversified retail assets focusing on under-banked segments, with effective risk management and cost optimization through well-defined processes and leveraging technology. Key elements of our strategy are:

Address growing financial needs in under-served markets

With a significant portion of population still being outside the reach of the formal credit system, our Company believes in contributing to bridging the credit gap in the country. We aim to efficiently and effectively provide credit to the underserved segment of customers and our diversified offerings have been built on a sound understanding of customer needs With our widespread branch network, retail focus and a product suite catering to all classes of customers, we aim to contribute to financial inclusion in the country

Build capacity and grow customer base through retail focus and geographic expansion

We are focused on high growth, dispersed risk- retail lending. We have innovatively designed our product and distribution strategies to fulfil our clients’ various credit requirements. Our product portfolio caters to all segments of

customers - salaried, self-employed, informal sector, HNIs and corporates. We seek to further increase our presence in retail segments including home loans, gold loans, MSME and micro financing with an aim to capitalize on the opportunity arising from underserved customer segments as well as provide scale and diversify the risk across industries and collaterals.

We intend to utilize our extensive branch network to access a larger customer base and plan to expand our network as relevant with the aim of achieving deeper penetration in existing products and regions as well as tap new, lucrative markets. While assessing a potential branch site, we analyse the local market and proximity to target customers with the objective of providing ease of access to customers as well as enhancing brand visibility for the Company. Our diversification and expansion strategy aims to adapt to a constantly changing digital milieu, and thereby seize growth opportunities whilst remaining cognizant to associated risks to our value chain.

Achieve superior performance with further strengthening our operating processes and risk management system

We are focused on building a process driven organization with a culture of compliance, audit and risk management. Operations excellence and risk management forms an integral part of our business. Our processes have been standardized with the objective of providing high levels of service quality and we have implemented high levels of digitization in our operational processes which contribute to faster turnaround times with lesser incidence and occurrence of errors.

Our risk management procedures are integrated seamlessly across our business operations and ensure constant measurement and monitoring of various risks we are subject to. The risk management model involves initial management control at business entity level, risk control and compliance oversight functions and overall independent audit and assurance functions. We intend to continue to improve our operating processes and risk management systems that will further enhance our ability to manage the risks inherent to our business.

Continue to invest in digitization and technology which will reduce cost and improve efficiency

As retail lending needs a high degree of operational excellence and automation to reduce turnaround time, we have our own proprietary system for loan processing and booking. Our loan application system has been built in-house by leveraging the expertise of the business and technology teams. We regularly update our systems and continue to streamline our credit approval, administration and monitoring processes to meet customer requirements and maintain our risk profile. We continue to focus on developing and strengthening our IT capabilities to support our growth and improve the quality of our services.

Ensure effective asset-liability management, diversify borrowing sources and strengthen our credit profile

The Company has in place Risk Management Committee and Asset Liability Management Committee (ALCO), consisting of Directors and senior officials. They regularly meet and review the policies, systems, controls, and positions of the financing business. Since our Company is a non-deposit taking NBFC and has a varied product mix of lending portfolio resulting into maturities of loans in different time buckets, efforts are made to match the maturity of liabilities with those of the assets and minimize the asset liability mismatch. We monitor liquidity risk through our ALCO Committee with the help of fortnightly and monthly liquidity and Asset Liability mismatch reviews. This involves the categorisation of all assets and liabilities in different maturity buckets, and evaluating them for any mismatches in any particular maturity bucket, especially in the short-term. The ALM Policy has capped the maximum mismatches in the various maturities in line with RBI guidelines.

We secure funding from a variety of sources to meet our capital requirements. We believe that we have been able to access cost-effective debt financing and reduced our average cost of borrowings over the years due to several factors, including our financial performance and improving credit ratings. We will continue to focus on developing a diversified funding model to achieve an optimum cost of funds while balancing liquidity and concentration risks. We believe we will continue to improve our credit ratings and thereby access a greater pool of diversified funding sources.

Our Products and Services

We operate in the following lines of business: (i) mortgage loans/loan against property; (ii) construction and real estate finance (iii) gold loan; (iv) commercial vehicle finance; (v) small and medium enterprise loans; (vi) capital market finance; and (vii) micro finance.

Details of each product, originations, operations, underwriting policies and risk management are given below

A. Mortgage Loans

Mortgage loans include retail mortgage loans and corporate mortgage loans. Primarily mortgage loans can be classified into housing loans and loans against property depending on its end usage. Housing loans include finance for purchase of flats, construction of houses, extension and for improvement in the flats/homes and for acquiring plots of land (which are intended to be used for construction of houses), loan against property (LAP) is availed for working capital requirements, business use, acquisition of new property and/or for financing construction projects.

Pricing of retail mortgage loans is driven by the risk profile of the borrower, the product and market demand for the product. Loan applications are sourced through direct sourcing and other alternate channels. The pricing in case of corporate mortgage loans is driven by the risk profile of the borrower, the product and the market demand.

As on September 30, 2018 and March 31, 2018 our mortgage loans accounted for 44.38% and 42.28% of the consolidated Loan Book. Housing loans and LAPs are secured by equitable mortgage or a registered mortgage of the residential property, land, under construction residential/ commercial properties and fully constructed properties, as applicable. As a policy for the retail segment we lend up to 65% of value of property for loan against property and up to 90% (as per NHB norms) against value of property for housing loans.

Business origination

For our home loans' business, we rely on multiple sourcing channels including our direct sales teams (DSTs), direct selling agents (DSAs), our website, walk-ins at our branches as well as cross-sell options. We have a stringent selection criterion for the recruitment of DSTs and a dedicated policy defining the norms to be complied with for empaneling a DSA.

Our target customers include salaried and self-employed individuals with low to middle range income levels. Self-employed individuals include both professionals and small business owners and salaried individuals hail from a broad spectrum of companies/firms across industries. We cater to the broad segment with a range of loans with suitable ticket-sizes.

Our loan on-boarding is majorly being done via portable tablet based applications which is provided to our sales teams/ DSTs. Our tablet application is also entrenched with basic credit appraisal checks for assessing proposals (upto pre-defined limits) using analytical scorecards (as per our internal policy) are processed through the same. For proposals within acceptable scorecard criteria, an instant, in-principal approval is granted thereby reducing the turnaround time. For cases where additional details are necessary to be assessed, the DSA/DSTs collect all requisite documents as per policy norms and submit to credit appraisal teams for assessment.

Credit policy and controls

For all our products, the credit policy is approved by the Board of Directors. The policy ensures multiple checks are conducted through the process. The appraisal model requires an independent operations function, which ensures superior quality of loans owing to multiple check points and standard processes.

We conduct digital underwriting for salaried and small ticket self-employed borrowers, which involves utilizing logical and rule- managers, in-built in the tablet application, to provide instant decision on eligibility of the prospective borrower. For appraisal of applications of big-ticket customers, multiple document checks, financial and credit history and risk control checks are carried out and assessment is conducted/considered by various credit committees and at the board level, depending on the value of the transaction. Loan proposals are evaluated on the various prescribed parameters defined in our credit policy such as past repayment history, income source, KYC and property acceptance norms.

Upon sourcing of a customer and obtaining their loan application, the loan officer submits all the requisite documents to the credit team for assessment. Our credit team consists of highly qualified professionals, experienced in various appraisal and due diligence processes. The credit underwriting is done as specified in the credit control policies and procedures manual, which majorly includes the following

- Checking the eligibility based on credit score generated by the analytical scorecards. If score parameters defined in the policy are met, then the case is logged in for further processing
- Performing various checks on the documents provided by the borrower to assess genuineness. These checks are done through an independent Fraud Control Unit
- Conducting in-person meetings with borrowers by our loan officers at their business premises or residence
- Conducting credit and financial background check on each borrower

- Conducting legal and technical evaluation of the offered security. We have empaneled professionally qualified legal vendors and valuation agencies to carry out security evaluation for us. These vendors are supervised by our professionally qualified, independent legal and technical teams

Risk management

The company has a dedicated risk management team which works to achieve the under mentioned objectives:

- To identify the various types of risks involved in the business
- To define the methodology to measure / quantify the risks
- To control and mitigate the variety of risks involved in business
- To specify the risk tolerance of the Company
- To ensure regulatory and statutory compliance on risk management and prudential norms
- To improve the asset quality of the Company by using risk management tools
- To maximize the return on equity with an acceptable level of risk, for the purpose of protecting, preserving and increasing the net worth of the Company

B. Construction And real estate finance

Construction and real estate finance includes loans to developers for construction and development of residential and mixed-use projects. In line with our broader retail strategy, the construction finance vertical provides retail loans under the approved project route, wherein the Company has tie-ups with developers for funding the property buyers under the retail home loan category.

As on September 30, 2018 and March 31, 2018 our construction and real estate finance accounted for 16.85% and 16.33% of the consolidated Loan Book.

Business origination

In the real estate financing business, we endeavor to enter into and maintain a relationship with the client, understanding their business requirement and structuring appropriate mix of construction finance option to the developer. In order to determine demand and supply in a market, we conduct surveys, either directly or through external vendors. We lend largely to residential projects and developers that are not subject to any concentration risks. We have also formulated a prudent lending criteria for borrowers in this segment.

Our sales teams meet with clients for deal origination and receive preliminary information. A name clearance memorandum is generated for the credit committee of the Board and post the committee's deliberation, the borrower may be considered for a loan. Our team then proceeds to collect requisite information and documentation from the prospective customer, prepares a proposal with case details for relevant authorities to review and logs the case into our loan management system for further processing.

Credit policy and controls

The loan application submitted by the sales team is checked for various parameters including the completeness of the application form, relevant KYC documents, etc. A legal and technical assessment by reputed external vendors is initiated to verify the authenticity of the documents, the legal title to the collateral property and its market value. Our credit team also conduct and in-person meeting with the prospective customer to gain understanding of their business, revenue streams, expenses and cash management. The credit team then prepares a credit appraisal note which is sent to our sanctioning authority for final approval.

We follow a strict underwriting and risk assessment mechanism for our real estate loan cases, which majorly include the following:

- *Borrower group and promoter profile check:* wherein we check the developers' past and ongoing project details, financial and banking details, debt history and other outstanding loans etc.
- *Project assessment/overview* : wherein, in case of a developed/partially developed project, we check the location, total saleable area, number of units available for sale and the market conditions in the geographic region for assessing demand etc; and in case of a new/under construction project, we check the committed commencement and completion dates, percentage of work done, total cost incurred and projections for the planned duration of the project
- *Financial performance appraisal*: which involves an in-depth assessment of the financial statements and health of the developer using ratio analysis, sensitivity analysis, credit worthiness assessments and total project cost and expected sales assessments

- *Collateral / security evaluation by external agencies*: which involves assessment of the external valuation report along with various approvals received by the developer for the project, and the title search report
- *Cash flow and sensitivity analysis*: wherein cash flows of the project are analyzed on the rationale of sales, construction, approvals, contingencies and debt cost assumptions. A sensitivity check is performed to ascertain the project level debt service coverage ratio
- *Completion of requisite documentation:* Prescribed loan documents and KYC documents are obtained and included in the loan application file.

Risk management

Our construction and real estate loan application proposals are screened by the senior management and a multi-level committee depending on the loan amount. We seek to mitigate the risk of default by including specific covenants in the loan documentation in addition to our general terms and conditions, on a case-to-case basis.

Our risk management system involves monitoring projects and assessing the facility on a regular basis. Strict project monitoring process post disbursement is followed which includes a quarterly site visit by the technical manager to evaluate technical progress of the project, monitoring of fund transfers, NOC issuances and sales, audit of escrow account, and annual asset quality review. Performance of the portfolio is also regularly reviewed at senior management level and suitable actions are taken either by change in credit policy or by other requisite actions.

C. Gold loans

We offer loan against gold to small businessmen, vendors, traders, farmers and salaried people for their personal needs as well as for working capital needs, at competitive rates and a fast turnaround time. We provide a range of schemes for our customers' diverse requirements along with multiple disbursal modes and repayment options for convenience of transacting.

As on September 30, 2018 and March 31, 2018 gold loans accounted for 13.08% and 14.62% of the consolidated Loan Book.

Business origination

We source clients directly at our branches which are conveniently spread across the country to grant ease of access to our diverse customer base, along with sourcing through our website, other online channels and customer referrals Our branch sales staff periodically conduct promotional activities and events around the branch catchment areas to drive visibility and generate leads. The campaigns create awareness on the various schemes on offer, and contribute to brand recall. The fulfilment of all gold loan leads sourced happens at our branches.

Once a prospective customer walks into any of our gold branch, the customer care executive in the branch explains the various product schemes on offer and helps in identification of best scheme for the customer based on the current requirement. Upon selection of a suitable scheme by the customer, the customer care executive enters client details and uploads mandatory KYC documents into our in-house loan origination tablet application. This application is equipped to screen customers for earlier defaults, frauds and presence in negative customer list as circulated by concerned regulatory and government bodies from time to time.

Credit policy and controls:

Post successful authentication of the mandatory documents, the customer proceeds to the valuation counter where the physical gold is valued independently by an experienced team of valuers. Dual underwriting helps in enhancing controls further. We follow a strong verification process and our officers are certified and trained in asset quality practices. The pricing is driven by the risk profile of the borrower, the product and the market demand. The maximum tenure for gold loans is 11 months while the average tenure is six months. As a policy we currently lend up to 75% of the value of the gold jewellery for our gold loan. Our gold loans are therefore well collateralized.

Our branch staff are trained to observe and/ or handle fraudulent customers by observing their behaviour, verifying ownership of the gold and matching the jewellery with customer profile or location. For some of high ticket loans, a secondary evaluation may be required to be conducted by an independent consultant and additionally a board committee approval may be required. After our branch staff have opened and verified the loan account, the loan is sanctioned/ approved by the appropriate authorities. The disbursal is processed post completion of mandatory checks as per our credit policy.

Risk management

Ensuring the safety and security of the branch premises is vital to our business since our cash reserves and gold inventory are stored in each branch. The gold ornaments pledged with us are kept in a tamper proof packet with its appraiser certificate and then placed into a fire and burglary proof vault. The branch is also under electronic surveillance at all times.

We also reserve the right to sell the collateral even before a loan becomes past due in the event the market value of the applicable of the portion of the underlying collateral is less than amounts outstanding on the loan, after serving notice to the customer.

Majority of our loans go through an audit process at a transaction level where, apart from a valuation done by independent valuers at the time of loan disbursement, an experienced and trained gold inspector re-appraises the pledged jewels to ensure the purity of the gold is the same as mentioned. 100% of our loan cases are audited by our gold inspectors, customers' KYC and loan documents are checked and scrutinised by offsite auditors and additionally, the fraud triggers in place are well defined and identify early warning alarms of unusual behaviour and suspicious customers.

D. Commercial Vehicles

Under Commercial Vehicle financing, we provide loans for commercial vehicles which are movable assets registered with regional transport offices and utilized for transportation of goods, materials and for providing transportation services, to all profiles of customers, ranging from first time users to fleet operators. The pricing is driven by the risk profile of the borrower, the product and the market demand.

As of September 30, 2018 and March 31, 2018 vehicle financing accounted for 10.67% and 11.93% of the consolidated Loan Book.

Business origination

We source our clients through direct sales teams (DSTs), direct sales agents (DSAs), authorized dealers of various manufacturers and walk-ins at our branch network. Approximately 60% of our loans are sourced through the DSAs and the remaining 40% are sourced by our direct sales teams

Our customer segments are detailed as under:

- First time buyer or user (FTB/FTU): New entrants to the transportation field with limited prior experience
- Small Fleet Operators: transporters with ownership of one to five vehicles with a couple of years of experience.
- Medium Fleet Operators: transporters with ownership of at least six and up to nine vehicles and having considerable years of experience
- Large Fleet/Market Load Operators and Strategic Customers: transporters with ownership of more than ten vehicles and having considerable years of experience
- Bus Operators: Owners and operators of buses with considerable years of experience with fleet ownership of buses

Our sales teams have been equipped with portable tablet based loan origination application for carrying out digital on -boarding of customers, backed by scorecard based decision making. Once a customer has been identified, a sales officer meets with the customer and assesses their loan requirements and credit worthiness. The sales officer collects information such as age, address, employment details, annual income, previously outstanding loans and the number of commercial vehicles owned. The customer is required to provide proof of identification and residence for verification purposes. Our scorecard based underwriting model analyzes the customers information and in most cases provides a soft decision on eligibility. Our customers are further required to furnish a guarantor as well as two references.

Credit policy and controls

In accordance with our credit policy, once a customer has been identified and has completed an application, the loan proposal is evaluated on prescribed parameters which include:

- Checking key documents including Know Your Customer (KYC) documents, income tax returns (ITR), financials and bank statements
- Utilizing credit bureau database for credit history assessment of prospective buyers
- Conducting an internal de-dupe check of all customers
- Conducting a field investigation at the residence of the borrower and the co-applicant/(s)

- Conducting a personal discussion with the borrower, irrespective of the ticket size of the loan, for the credit officer to gauges the customer's background, experience, and understanding of the industry, and the viability of the proposal
- Validating the references provided by the customer
- Carrying out a valuation exercise for assessment of used-vehicles loans. The lower of three values (value as per the valuer, value as per IIFL's internal grid based on vehicle model and vintage, and the Insured Declared Value (IDV) as per the insurance policy) is used for computing the LTV of the loan

If the proposal meets all the criteria established for the approval of a loan, the loan is approved by the relevant branch manager. Prior to the loan disbursement, our loan officer is required to ensure all documentation to be provided by the customer has been completed and verify the same. We have the option to sanction loans through multiple channels as per the customers convenience.

We strictly follow our credit policy to ensure asset quality of our loans and any deviation from such credit policy requires prior approval. Our Credit control policies and procedures are laid down in product policies prepared by the risk department and approved by the Board of Directors. As per the policy, only senior resources with relevant work experience are allocated authority for granting approvals for transactions, further regulated by an authority matrix.

Risk management

Our product management team monitors compliance with the terms and conditions for credit facilities, monitors the portfolio regularly and focuses on resolution of non -performing loans. Our stringent credit policy and loan sourcing and on-boarding procedures and checks help ensure good quality of assets. Our risk management systems are well defined and technologically equipped to monitor and mitigate risks effectively. The tablet -application scorecard based underwriting helps screen potential customers at the first instance. A minimum score cut off is used to assess basic eligibility. The score reflects a prediction of the likelihood of delinquency in the twelve months following date of assessment, using attributes based on customer's credit behavior, repayment pattern, age, customer profile etc. In adherence with our credit policy, all cases below the policy-defined cut off score are rejected. Further processes in the risk management function include monthly portfolio quality reports' monitoring, regular review of the performance of the portfolio at senior management level and mitigation of likely risks through credit policy changes or other requisite actions.

E. Capital market finance

Our capital market finance products are short term loans secured by pledge of listed equity shares, vested ESOPs, equity and debt mutual fund units, structured notes, bonds, debentures and collateral as approved by the credit policy ("Approved Securities"). Depending on the kind and quality of the approved security, we lend up to 50-80% value of that security. In case of IPO financing, margins are dependent on over subscription of the issue.

As of September 30, 2018 and March 31, 2018 our capital market finance accounted for 3.17% and 3.85% of our Loan Book on a consolidated basis. Capital market finance includes loan against shares, mutual fund units, debentures etc., margin funding, IPO financing and ESOP financing.

Business origination

In our loan against security product we offer an opportunity to borrowers generally HNIs, corporates, private trusts, HUFs, limited liability partnership firms etc. to monetise their investments (listed equity shares, mutual fund units, structured notes, bonds, debentures etc.) in order to raise capital for their personal, investments, or business financing needs. The shares or securities are generally very liquid, from high quality companies, and highly valued securities. The amount depends on valuation of the shares, margin allowed by the company, and client's past credit history. The amount of loan ranges between 50% to 70% of the value of the securities pledged with us.

The origination/sourcing team is our group wealth and broking entities which directly meets with clients for deal origination and receives preliminary information

Credit policy and controls

A proper due diligence is conducted on the profile of the borrower and collateral offered for the loan, keeping in mind the concentration risk involved against the funding of the particular security at borrower level as well as entity level. The eligibility criteria for loan are very stringent with regards to borrower profile and nature of the security. The proposals are presented to the credit committee who decide on the final eligibility of a particular client before sanctioning of the loan

Upon sourcing a customer and obtaining a loan application along with the relevant documentation, the relationship officers fill in the case details on the online loan management portal or in hard copy format and hands over the documents and credit appraisal note to a credit officer. Thereafter, credit bureau checks and other relevant checks like watchout investor, google search, SEBI search etc. are conducted to identify any fraudulent activity at an early stage by our credit team. A credit bureau report is then generated where the credit score of the applicant is reviewed along with a track record of loan repayments, where relevant.

The loan application is checked by our internal audit team for various parameters including the completeness of the application form, relevant KYC documents, and income proofs, where applicable. Upon the receipt of security documents, which are to be used as collateral, the disbursement officer initiates a legal and technical assessment, to verify the authenticity of the collateral, the legal title to the collateral and its market value. A personal discussion is conducted by our credit managers over the telephone as well as through in-person meetings at the customer's house or place of business to understand their business, revenue streams, expenses etc., and based on income validations, determine their loan eligibility.

The credit risk team sends documents to the credit committee or sanctioning authority for final approval. We use a risk based pricing matrix to determine the interest rate to be charged for different loans. We seek to mitigate the risk of default by including specific covenants in the loan documentation in addition to our general terms and conditions, on a case-by-case basis.

We have implemented a robust process of credit assessment comprising:

- Underwriting: We have a credit team comprising credit managers and disbursement officers who conduct an independent verification of customers, evaluate their securities, and analyze their ability to repay loans
- Legal assessments: We conduct legal assessments through our in-house team of lawyers and by engaging external vendors who help us perform functions such as the verification of documents and title to securities
- Technical assessments: We conduct technical assessments through our in-house team of internal audit and by engaging external vendors who help us perform functions such as conducting valuation of collateral and the periodical review of overall portfolio
- Risk Control Unit: Our risk containment unit conducts credit bureau checks, security checks, scrutinizes documents, visits certain customers and seeks to identify fraud at early stages. They also conduct risk assessment of the portfolio on daily basis to maintain a healthy portfolio within the regulatory purview. Daily mark to mark valuation of securities is performed by the risk team so as to track portfolio quality and take necessary corrective action.

Risk management

A robust risk management process is conducted on a daily basis on the overall portfolio to maintain the portfolio quality.

The prices of the securities are updated daily on the basis of end of day price file received from the stock exchanges. On volatile days price files are uploaded on a real-time basis. The clients are then intimated of the margin shortfalls by business teams via phones/ emails/ letters. The collateral in the loan management system is reconciled with the securities lying with the depositories on a daily basis through an automated process by the operations team. Margins on each of the loans are monitored on regular basis and further margin is called for as and when the need arises. This helps us to maintain comfortable margins and enables us to mitigate risks against potential defaults. Margin calls are sent to clients on a daily basis and in case of a shortfall when the client is unable to maintain the margin, the loan value is realised through the sale of the securities at the earliest. Our centralized risk management system helps us monitor our client's credit exposure on a real time basis, enabling us to make margin calls on a dynamic basis and take suitable action in volatile markets.

F. Medium and Small Enterprise Financing

In the medium and small enterprise financing segment (MSME), we provide working capital finance to small business owners. We provide small ticket loans, thereby being able to meet the needs of small scale businesses including standalone shops etc. This product helps facilitate customers having little or no access to banking channels, for loans, capital essential to keep their business running, and provides support to the plethora of micro and small scale enterprises that are crucial to India's economy. We use a combination of direct sales force and direct selling agents for our sourcing. The pricing is driven by the risk profile of the borrower, the product and the market demand.

As of September 30, 2018 and March 31 2018 our SME loans segment accounted for 7.57% and 8.15% of our Loan Book on a consolidated basis.

Business origination

MSME loans are primarily unsecured loans purely for business purposes. Loan facilities are extended to entities with profitable business operations for certain pre-defined period as a mandatory criterion.

We source these loans through multiple channels like direct sales teams (DST), direct sales agents (DSA), website, walk-ins at our branches, and cross sell. Incrementally, most of our low-ticket loan originations are being done using our proprietary portable tablet based application. Upon lead identification, our sales executives equipped with tablets visit and obtain requisite information including identity and address proof, business financials, bank statements and income tax returns through tablet application. The application is entrenched with basic credit appraisal checks using analytical scorecards which analyzes the basic data obtained from customer. Upon preliminary assessment of basic parameters with scorecards, an instant in-principle approval for the loan application is granted. For cases where additional details are necessary to be assessed, the DSA/DSTs collect all requisite documents as per policy norms and submit to credit appraisal teams for assessment. Our on-field presence provides greater convenience to our customers and increases access to customers for the Company without incurring additional operational costs.

Credit policy and controls

For all our products, the credit policy is approved by the Board of Directors, senior management members, risk and audit committees.

We undertake digital underwriting for small ticket self-employed borrowers where logical and rule engines are in-built in the tablet based loan application. In most cases the digital underwriting process is sufficient to assess eligibility of a prospective borrower and provide instant credit decision. For larger ticket cases and cases where additional assessment is required, our credit appraisal teams step in to conduct detailed analysis of the prospect based on requisite documentation and other information defined in our credit policy and collected by the loan sourcing officer. Senior members of the credit teams are empowered at the local level to take credit decisions. Credit team members are authorized to underwrite and approve the cases depending on the value of the transaction and assigned approval authority.

In accordance with our credit policy, once a customer has been identified and has completed an application, the loan proposal is evaluated on the prescribed parameters such as past repayment history, income source, KYC and business profile. Credit underwriting is done as specified in the credit control policies and procedures manual

The credit appraisal process is summarized as follows:

- Credit score is the gatekeeper for moving the file in. If score parameters defined in policy are met, then the case is logged in for further processing
- Various checks are performed on the documents provided by the borrower to assess genuineness. These checks are done through an independent Fraud Control Unit.
- Depending on the loan size, our loan officers either telephonically connect or meet the borrowers at their business premises and carry out a personal discussion
- A credit and financial background check on each borrower is mandatorily conducted

In addition to the aforesaid, we have empanelled experienced and qualified vendors and agencies to carry out customer profile evaluation for us. These vendors are supervised by our independent credit and fraud control team.

Risk management

Our robust risk management procedures include monthly portfolio quality reports 'analysis and portfolio performance review TTD (Through-The-Door) population monitoring based these reports. We generate, analyze and review extensive MIS reports which are broken down by multiple segments (sourcing channels, Salaried /Self-employed etc.) in order to better understand each segment we are active in, logically analyse performance trends and mitigate potential/perceived risks in the portfolio by way of modification in credit policy or other measures as relevant.

G. Micro finance

In the microfinance segment, we offer credit support to women who have either limited or no access to formal banking channels. We provide financial services to the economically weaker sections of society with an aim to bring microfinance services to the doorstep of the rural and semi-urban BoP (Bottom of Pyramid) families in India. Loans are offered under various categories such as income generation, education, emergency etc. We follow the Grameen Model (also regarded as joint liability group). Through the group lending methodology, loan is disbursed to each individual in the group, and the group guarantees for each other's loans.

As of September 30, 2018 and March 31, 2018 the segment accounted for 4.28% and 2.84% of our Loan Book on a consolidated basis.

Business origination

Before establishing any branch, a detailed survey is conducted at field level which takes into account the credit culture, economic activity, political stability law and order situation, climatic condition, demographic detail etc. Based on the survey report and assessment and branch approval being signed off jointly by risk and business centrally, the Company is able to mitigate the risk of operating in high risk areas.

A customer relationship officer is responsible for customer acquisition and maintenance while a branch manager and credit manager scrutinize and validate KYC documents. We have a dedicated credit manager at every branch, who carries out all the pre-disbursement checks in addition to that done by the branch manager, which helps in establishing the veracity of application documents. The loan application is processed only after the branch manager approves the customer upon physical verification of customer's address and documents provided.

Credit policy and controls

We require each member seeking a loan from us to submit an application in the centre meeting that is managed by our customer relationship officers. Once complete, a new loan application is only accepted at a group meeting if the majority of members in a group are present. Once we have accepted the loan application, we review the information provided by the member on items such as the purpose of the loan, the amount, and the relevant expertise of the member in the business, as well as the experience, if any. We also review the previous loan of customers with us as well as other lenders through the credit bureau reports.

A credit check is done for every customer through an automated system-to-system integration with the Credit Bureau. As part of this check, certain parameters are looked at to verify a customer's credit-worthiness and also to ensure they are not overburdened.

We approve new loans based on internal and external credit recommendations with respect to an applicant. This approval process follows the following steps:

- Credit Bureau check
- Consent from the center members
- Customer understanding on company process and policy
- Customer agreement for joint liability
- Approval of loan application by the branch manager

Most of the application and approval mechanism is controlled and validated through the technology so that policy and regulatory aspects are addressed.

Risk management

The initial focus of our loan portfolio management efforts is on our customer relationship officers, who are given primary responsibility for both the issuance of loans and the collection of repayments from our borrowers. They also regularly conduct checks or reviews of our borrowers and the end use of loans.

We regularly monitor defaults in the field and get in touch with the field teams to conduct prompt follow up. Central teams also report the observations to the management and seek guidance for further action to improve collections. In addition, we have an internal audit team, which reports on the operational and other processes and systems.

We have in place a dedicated risk management team to understand and formulate various risk mitigation plans for various types of risks. The identified risks are reported to risk management committee of the Board for review. A quality assurance division has been formed to improve the customer service experience and strengthen adherence to the Fair Practice Code and Code of Conduct stipulated by Regulators. A dedicated vigilance setup has been constituted to conduct screening of centers, visit certain customers, and seek to identify fraud at early stages.

Operational controls

We have well defined policies and procedures that help maintain operational control across the lifecycle of the loan. The function is independent and centralized and among other tasks, majorly checks loan cases for adherence to policy parameters. For every loan proposal, disbursals are approved by the front end operations after conducting proper non-discrepancy checks.

Collections and monitoring

We have developed a comprehensive collection mechanism leveraging both technology and on-field strength. Our collection mechanism strategy is centered on four important pillars comprising centralized tele-calling centres, on-field collection agents, NPA collection teams and legal recovery teams.

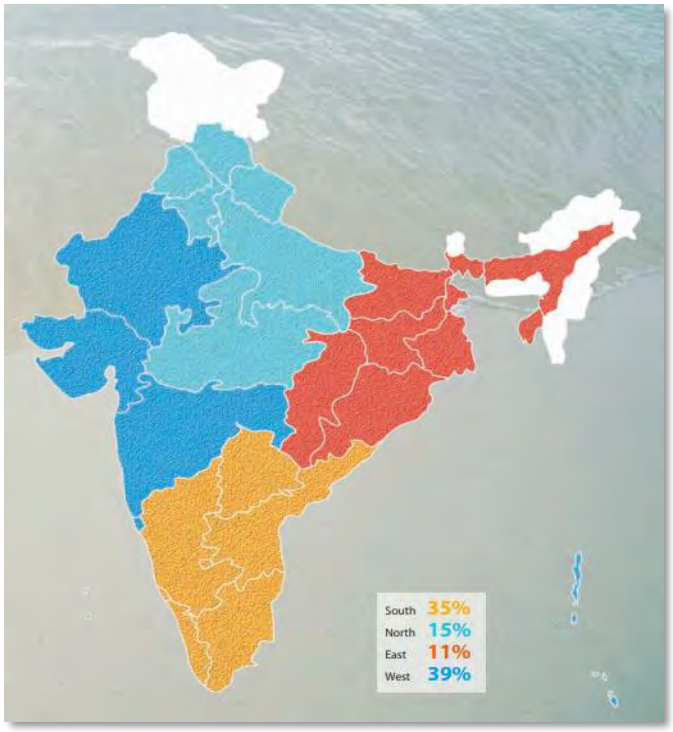
At the time of loan disbursement, customers are provided with various payment options like automated clearance house, cheque, ECS and digital mode (Quick Pay & Virtual Account). Prior to monthly EMI due-date, customers are reminded of their dues either in form of voice-blasts or SMS reminders. Customers are also sensitized about the implication of default on their credit history and bureau score.

For customers defaulting on payments, collection visits are carried out by our field agents to collect instalments in various methods. Our field agents have the responsibility for a specified number of borrowers, depending on the volume, past collection performance and business performance in the region. Additional measures are undertaken in order to balance customer accounts and effectively manage performance on periodic basis. We ensure that there is continuous monitoring of all customer accounts by collection agents, especially for strategic high-ticket cases and adopt various collection strategies (including legal and settlement) on a case-to-case basis.

Considering our business caters to diverse clientele, our company has a separate in-house collection mechanism for various products depending upon product characteristics, business origination type and legal recovery options. For a customer defaulting on payments, reasons for default are identified and prompt actions are initiated pursuant to well-defined internal collection policy. For secured loans with customers' default, our company may initiate the process for repossessing collateral. In spite of regular reminders with strong efforts of collection teams, if the customer continues to default over a period of time, and in cases where there is suspicion on customer's intent to service the loan, legal action is initiated. A dedicated team is in place for review of high delinquent geographic locations or resolution of certain strategic cases. Additionally, an experienced legal team having extensive experience in various legal recovery mechanisms has been established for supporting the collections teams. We have an independent risk department responsible for monitoring portfolio performance region, product and channel wise.

Branch Network

As on September 30, 2018, our Company had 1,755 branches across India. A region wise distribution of our branches is depicted below:



Our major Subsidiaries

Listed below are major subsidiaries of our Company, for more details about the subsidiaries of our Company, please refer to the Section "*Our Subsidiaries*" on Page 152.

IIFL Home Finance Limited

IIFL Home Finance Limited is a wholly owned subsidiary of the Company registered with the National Housing Bank (NHB). The Company holds 100% of the paid up share capital of IIHFL. IIHFL holds Certificate of Registration (not valid for acceptance of public deposits) from the NHB dated February 3, 2009 to carry on the business of a housing finance institution. IIHFL's products include Retail Mortgage and Corporate Mortgage Loans.

(Rs. in million)

AUM	March 31, 2018	March 31, 2017	March 31, 2016
Mortgage Loan	143,212.03	97,693.15	55,398.60

Key financial numbers of IIHFL for last three years

(Rs. in million)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Total Income	12,686.66	9,062.56	5,514.80
PAT	1,974.09	835.58	720.59

Samasta Microfinance Limited ("Samasta")

Samasta Microfinance Limited ("Samasta") is a subsidiary of India Infoline Finance limited registered with the Reserve Bank of India. The Company holds 97.99% of the paid up share capital of Samasta. Samasta holds Certificate of Registration (not valid for acceptance of public deposits) from the RBI dated May 17, 2011 to carry on the business of microfinance. Samasta began operations as an MFI in March 2008 with an aim to provide financial services to the financially weaker sections in the country.

(Rs. In million)

Loan Book	March 31, 2018	March 31, 2017	March 31, 2016
Microfinance loan	8,406.19	2,390.83	1304.83

Key financial numbers of Samasta for last three years

(*Rs. in million)*

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Total Income	968.30	330.76	213.51
PAT	23.76	8.48	22.60

Provisioning norms

With the introduction of new accounting standards – Ind AS from FY2018-19, our Company has started computing provisions on expected credit loss (ECL) model. Primarily, ECL accounts for credit losses in future based on observed portfolio behaviour rather than incidental provision computation in IGAAP. ECL Credit losses can be considered as difference observed between contractual future cash inflows and expected cash inflows. ECL accounts for two major characteristics: current behaviour of a financial instrument and observed portfolio losses in the portfolio over a period of time considering the time value of money and has following important parameters:

1. Exposure at default – Estimate of contractual cash inflows in future as on reporting date
2. Probability of default – Indicator of likelihood of default of financial instrument for a time period
3. Loss given default – Indicator of normalised loss incurred post default of financial instrument

Stage 1 includes financial instruments that have low credit risk as on the reporting date. For such assets, 12-month expected credit losses are computed on the exposure and interest revenue is accounted on gross asset value (without considering expecting credit losses). ECL is computed based on expected default events within 12 months since reporting date. It is a measure of likelihood of low credit risk portfolio transitioning to high credit risk (and losses post its transition) in next 12 months ("**Stage 1**").

Stage 2 includes financial instruments that have higher credit risk than Stage 1 but with no objective impairment evidence. For such assets, lifetime expected credit losses are computed on the exposure yet interest revenue is accounted on gross asset value (without considering expecting credit losses). ECL is computed based on expected default events over the balanced loan tenure ("**Stage 2**").

Stage 3 includes financial assets that have high credit risk and are considered default as per regulatory norms at the reporting date. For these assets, losses are computed based on empirical data and interest revenue is accounted on net asset value (considering credit losses) ("**Stage 3**").

Further, additional provisions are provided for certain weak accounts.

Sales and Marketing

Marketing activities for our Company is managed by our marketing and corporate communications department. Through in-house teams, external creative agencies and execution partners, the marketing department conducts various activities ranging from brand awareness, product awareness, creative development, lead generation activities and enhancing customer experience, with a focus on aligning product communication to create an economic, social and environmental impact and an overall aim to make our brand 'IIFL' the brand of choice for its customers. The above activities are implemented through various media such as broadcast media (TV, print, radio), digital assets (website, social media platforms), digital advertising, out-of-home media and on-ground activities.

Risk and Asset-Liability Management

Risk management is a key element of our business strategy and is integrated seamlessly across all of its business operations. The objective of the Company's risk management process is to optimise the risk-return equation and ensure meticulous compliance to all extant laws, rules, and regulations applicable for its business. We take a holistic view of risk management and undertakes an enterprise-wide risk management approach under the Enterprise Risk Management ("ERM") Framework.

We adopt a 'three lines-of-defence' model wherein management control at the business entity level is the first line of defence in risk management. Various risk control and compliance oversight functions, established by the management are the second line of defence. Finally, the third line comprises the internal audit/ assurance function. In order to maintain financial soundness of the company, it seeks to promote a strong risk culture throughout the organization. All major risk classes viz credit risk, market risk, operational risk, fraud risk, liquidity risk, business risk and reputational risk are managed via well-defined risk management processes.

Risk	Risk Response Strategies
Credit, liquidity and finance risk	• Our Company has separate multi-level credit and investment committee, consisting of Directors of the Board / head of the departments, to consider medium to large credit proposals. However, smaller proposals are decided at appropriate level as per the approval matrix. • The Company has in place a risk management committee and asset liability management committee (ALCO), consisting of directors and senior officials. They regularly meet and review the policies, systems, controls, and positions of the financing business. The committee reviews the risk management processes, covering credit and underwriting controls, operations, technology and compliance risks. • Liquidity risk arises due to non-availability of adequate funds or non-availability of adequate funds at an appropriate price, or of appropriate tenure, to meet our business requirements. This risk is minimised through a mix of strategies, including asset securitisation and temporary asset liability gap. • We monitor liquidity risk through our ALCO Committee with the help of fortnightly and monthly liquidity and Asset Liability mismatch reviews. This involves the categorisation of all assets and liabilities in different maturity buckets, and evaluating them for any mismatches in any particular maturity bucket, especially in the short-term. The ALM Policy has capped the maximum mismatches in the various maturities in line with RBI guidelines.
Technology Risk	• Our management periodically reviews various technology risks such as protecting sensitive customer data, identity theft, cybercrimes, data leakage, business continuity, access controls, etc. • We have put in processes, systems and tools for ensuring vigilant monitoring, audit logging and suspicious activity reporting. • We have implemented tools for mitigating various security risks -privileged identity management, advanced malware detection and protection, end-point encryption, mobile device management and secured internet access.

Risk	Risk Response Strategies
	• We successfully completed the ISO 27001:2013 annual re-certification in January 2018. During the year, many processes are automated to reduce the risk of manual error and frauds.
Compliance Risk	• We have implemented business-specific Compliance Manuals, limit monitoring systems and AML/ KYC policies. • The compliance requirements across various service points have been communicated comprehensively to all through compliance manuals and circulars. To ensure complete involvement in the compliance process, reporting processes have been instituted by heads of all businesses/zones/area offices and departments, through submission of quarterly compliance reports. The compilations of these reports are reviewed by the Audit Committee/Board and are also submitted to regulatory authorities, periodically. Besides, the internal auditors verify the compliances as part of their audit process.
Operational risk management	• Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events (as defined by Basel Committee on Banking Supervision). • Independent operational risk management team reporting to the risk head is in place which is responsible for coordinating all the operational risk activities including building an understanding of the risk profile, implementing tools related to operational risk management, and working towards the goals of improved controls and lower risk.
Credit risk management	• Credit Risk is a measure of loss arising due to failure of borrower to meet the contractual obligation of repayment as per agreement. Our Company has defined processes for identification, assessment and mitigation of credit risk for various products on regular basis. • Our Company routinely monitors credit risk and ensures compliance within the board approved policies and risk limits. Additionally, we monitor risk concentrations based on various characteristics. Portfolio reviews are undertaken on monthly basis highlighting behaviour of products on various financial and non-financial parameters. • Our Company's credit concentration monitoring is undertaken on continual basis. Our Company has board-approved policy capping credit concentration to entities. This is effectively undertaken to ensure avoidance of default of large exposures affecting our Company's financial performance.
Fraud Risk Management:	Our Company has a comprehensive Fraud Risk Management framework in place with an independent Fraud Control Unit (FCU) team responsible for fraud prevention, fraud detection and fraud investigations supported by offsite Audit team, internal audit function, outsourced verification vendors and fraud analytics.

Internal Controls

The Company has an Internal Control System which is commensurate with the size, scale and complexity of its operation. The Internal Audit team monitors and evaluates the efficacy and adequacy of Internal Control systems in the Company, its compliance with operating systems and accounting procedures. Based on the report of the Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations, if any and corrective actions and implementation thereof are presented to the Audit Committee of the Board. Status of resolution tracking as well as pending issues is reported to senior management and audit committee of the Board on a regular basis as an 'Action Taken Report'. Further, the Statutory Auditors verified the systems and processes and confirmed that the Internal Financial Controls System over financial reporting are adequate and such controls are operating effectively.

Human Resources

Our human resource management systems and processes are future ready and go hand-in-hand with the demands of the business and environment. We have got a scalable talent acquisition system which seamlessly interacts with business and stakeholders to hire and onboard talent. Training and development which is central to our people development theme has the right mix of classroom, online, MDP trainings and certification courses.

We have been taking employee feedback through our annual Pulse Survey, which enables us to constantly recalibrate our policies and initiatives and improve on areas, based on the feedback. As on September 30, 2018, the Company has a strong workforce of 15,549 employees.

Corporate Social Responsibility

On the social front, IIFL Foundation (the CSR arm of the group) has undertaken many initiatives for community welfare, with a special focus on education. Out-of-school children are one of the biggest challenges in India today; to address this, IIFL Foundation has set up close to 1,150 community schools in rural and remote areas of Rajasthan, and has managed to bring back over 35,000 out-of-school girls (never enrolled/ dropped out) into the fold of education. The foundation has also started study centres for children of construction workers on sites where IIFL is providing developer finance, with the aim of providing access to education for these children who are otherwise without means to attend school. IIFL Foundation has appointed a teacher for four hours each day to teach these children while their parents are on the site. Financial Literacy programs in West Bengal and north-east India and rural Maharashtra, free eye surgery camps in Uttar Pradesh, and cancer care camp in Karnataka; rural development by building check-dams for harvesting rain water in over 25 villages in western Maharashtra and the parched Marathwada region, are some more ways in which IIFL foundation is proactively contributing towards community building as a responsible organization.

Competition

Our Company offers a diversified range of products consisting of commercial vehicle loans, small and medium enterprises loan, loan against property, gold loans, and personal loans. These are provided to a broad segment of customers including salaried and self-employed personnel and corporate. We face competition primarily from other NBFCs. Our gold loan business faces competition mainly from other gold loan players in the market such as Manappuram Finance Limited ("Manapuram") and Muthoot Finance Limited ("Muthoot"). Similarly, our commercial vehicle business competes with Shriram Transport Finance Limited ("Shriram") and Cholamandalam Investment and Finance Company Limited ("CIFL") SME loans business faces competition from Bajaj Finance Limited. The major competitive factors among the peer group are an extensive branch network, greater currency funding capabilities, wider range of products and services, and advanced technology offerings.

Insurance

Our Company has insured its various properties and facilities against the risk of fire, burglary, breakdown of office equipments, risk of financial loss due to fraud and other perils including public liability which covers the legal liability arising out of third party bodily injury or third-party property damage in company premises. Our Company has obtained money policy to cover "money in safe and till counter and money in transit" for the branches and various offices.

Our Company also has in place a group mediclaim policy for its employees and their dependent family members, group term life and group personal accident policies, which provide uniform benefits to all the employees. For a discussion of certain risks relating to our insurance coverage, please refer to the section titled "Risk Factors" - Internal Risks and Risks Associated with our Business - Our insurance coverage may not adequately protect us against

Property

Our Corporate and Registered office is located at India Infoline Finance Limited, 12A – 10 13th floor, Parinee Crescenzo, Behind MCA, Bandra Kurla Complex, Bandra East Mumbai – 400051, this office is owned by the Company. We have entered into lease / leave and license agreements for terms ranging from one to ten years for all of our branches.

Intellectual Property

Our Company does not own any intellectual property per se, but has entered into a trademark license agreement with IIFL Holdings Limited dated August 19, 2016. Pursuant to which, IIFL Holdings Limited has granted our Company with a non-exclusive right and license to use the trademark, service mark and logos pertaining to "IIFL". The term for which the license is granted is in perpetuity, subject to the terms and conditions contained in the trademark license agreement.

Information Technology

Information Technology in our Company is the core element which drives business growth and forms the backbone of our organization. Information technology is used as a strategic tool which comprises industry standard business applications and robust IT infrastructure setup which are used to manage business operations which improves our overall productivity and efficiency and provide seamless and world class experience to our

customers. We believe that through our information systems and adequate controls we are able to manage our nationwide operations efficiently, market effectively to our target customers, and effectively monitor and control risks. Business Applications including loan operating system are designed, developed and implemented to meet our business and regulatory requirements round the clock and is being used in all our branches across India to manage business operations, improve customer services and efficiency from time to time. IT and Information security and processes are aligned with RBI Mater Directions, ISO 27001 and Industry best practices and industry standard security solutions are implemented to control security and Cyber Risks.

Treasury Operations

Our treasury operations are mainly focused on meeting our funding requirements and managing short term surpluses. Our funding requirements are currently predominantly sourced through term loans, issuance of debentures, commercial paper and securitisation of receivables. We believe that through our treasury operations we are able to maintain our ability to repay borrowings as they mature and obtain new loans at competitive rates. Our treasury department undertakes liquidity management by seeking to maintain an optimum level of liquidity and complying with the RBI requirements of asset liability management. The objective is to ensure smooth functioning of all our operations and at the same time avoid the holding of excessive cash. Our treasury maintains a balance between interest earning liquid assets and cash to optimize earnings. We actively manage our cash and funds flow using various cash management services provided by banks. As part of our treasury activities we also invest our temporary surplus funds in fixed deposits with banks, liquid debt-based mutual funds and government securities. Our investments are made in accordance with the investment policy approved by the Board.

HISTORY AND MAIN OBJECTS

Corporate Profile:

Our Company was originally incorporated on July 7, 2004, as a private limited company under the provisions of the Companies Act, 1956, bearing CIN U67120MH2004PTC147365 as India Infoline Investment Services Private Limited. Pursuant to a fresh Certificate of Incorporation granted to our Company dated July 10, 2007 by the RoC, Maharashtra, Mumbai bearing CIN U67120MH2004PLC147365, our Company was converted to a public limited company and the name of our company was changed to India Infoline Investment Services Limited. The name of the Company was further changed to India Infoline Finance Limited pursuant to fresh Certificate of Incorporation dated November 18, 2011 issued by the RoC, Maharashtra, Mumbai. Our Company has obtained a certificate of registration dated May 12, 2005 bearing registration no. B-13.01792 issued by the RBI to carry on the activities of a NBFC under Section 45-IA of the RBI Act. Based on the revised regulatory framework prescribed by RBI for NBFCs, our Company was classified under the category "Loan Company - Non Deposit Accepting" and is a systemically important non-deposit taking NBFC.

Change in registered office of our Company

Upon incorporation, the Company's registered office was situated at 24, Nirlon Complex, off Western Express Highway, Goregaon (East), Mumbai – 400 063, Maharashtra, India and was changed to 75, Nirlon Complex, off Western Express Highway, Goregaon (East), Mumbai – 400 063, Maharashtra, India with effect from October 17, 2006.

The registered office of our Company was further changed from 75, Nirlon complex, off Western Express Highway, Goregaon (East) Mumbai-400 063to IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane – 400 604, with effect from April 24, 2010.

The registered office of the Company was subsequently changed from IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane – 400 604 to 12A-10, 13th Floor, Parinee Crescenzo, C-38 & 39, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, with effect from June 18, 2013.

Main objects of our Company

The main objects of our Company as contained in our Memorandum of Association are:

i) To carry on the activities as investment company and to buy, sell, trade, invest, deal or to do broking in shares, stocks, debentures, bonds, derivatives, commodities, obligations, bills, securities, movable and immovable property and other investments.

ii) To carry on the business of borrowing/lending money by way of pledge, mortgage, hypothecation, charge or otherwise with or without any securities to any person, individual, body-corporate, firm, organization, authority but the company shall not carry on banking business within the meaning of Banking Regulations Act, 1949.

iii) To solicit and procure insurance business as Corporate Agent and to undertake such other activities as are incidental or ancillary thereto.

iv) To distribute the various Mutual fund products and to undertake such other activities as are incidental or ancillary thereto.

Key terms of Material Agreements

Other than the below-mentioned agreements, our Company has not entered into material agreements which arenot in the ordinary course of business.

i. **Investment Agreement between our Company, the Promoter and CDC Group plc. ("CDC")**

CDC had made an investment in our Company pursuant to the investment agreement dated July 20, 2016 entered into between the Company, Promoter and CDC ("**Investment Agreement**"). The Investment Agreement confers certain rights on CDC to regulate its relationship with respect to its investment in our Company including, *inter alia*, tag along rights, pre-emption rights, corporate governance rights, and certain rights in case

of a proposed listing of equity shares of our Company. The Investment Agreement shall continue to be valid and binding on the parties to it until such time that CDC ceases to hold any equity shares of the Company.

ii. **Trademark License Agreement**

The Company ("**Licensee**") has entered into a trademark license agreement with IIFL Holdings Limited ("**Licensor**") dated August 19, 2016 ("**Trademark License Agreement**"). Pursuant to such Trademark License Agreement, the Licensor has agreed to grant the Licensee with a non-exclusive right and license to use the trademark, service mark and logos pertaining to "***IIFL***". The term for which the license is granted is in perpetuity, subject to the terms and conditions contained in the Trademark License Agreement. Further, the Trademark License Agreement contains the customary provisions relating to the protection of the intellectual property, warranties, indemnities and termination.

Details of securitisation transactions undertaken by our Company in the last 5 years

(Rs. in million)

S.No	Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
1.	No. of Accounts /Pool	493,660	75,380	44,933	47,071	66,322
2.	Total book value of loan assets	6,792.05	5,935.10	5,872.08	4,868.13	6,507.38
3.	Sale Consideration Received	6,792.05	5,935.10	5,818.03	4,835.06	6,439.73

Details of any acquisition or amalgamation by the Company in the last 1 year

The Board of directors of our Company, at its Board Meeting held on October 31, 2017 approved the acquisition of 100% Equity Shares of Clara Developers Private Limited ("**Clara**"). Pursuant to which, on December 27, 2017, the entire equity shares of Clara were transferred to the Company.

Details of any reorganization or reconstruction by the Company in the last 1 year

The Board of Directors of IIFL Holdings Limited, at its meeting held on January 31, 2018, has approved the composite scheme of arrangement amongst IIFL Holdings Limited, India Infoline Media and Research Services Limited, IIFL Securities Limited (formerly India Infoline Limited), IIFL Wealth Management Limited, IIFL Distribution Services Limited and our Company and their respective shareholders, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 (**"Scheme"**).

The Scheme, *inter alia*, provides for the following:

i) amalgamation of India Infoline Media and Research Services Limited with the IIFL Holdings Limited;

ii) demerger of the securities business undertaking (*as defined in the Scheme*) of IIFL Holdings Limited into IIFL Securities Limited;

iii) demerger of the wealth business undertaking (*as defined in the Scheme*) of IIFL Holdings Limited into IIFL Wealth Management Limited;

iv) amalgamation of the Company with IIFL Holdings Limited; and

v) transfer of the broking and depository participant business undertaking (*as defined in the Scheme*) of IIFL Wealth Management Limited to its wholly owned subsidiary i.e., IIFL Distribution Services Limited, on a *going-concern* basis.

Post effectiveness of the Scheme:

i) The equity shares of IIFL Securities Limited shall be listed on BSE and NSE, with mirror shareholding with that of the IIFL Holdings Limited;

ii) The equity shares of IIFL Wealth Management Limited shall be listed on BSE and NSE; and

iii) The equity shares of the IIFL Holdings Limited to be issued to the shareholders of the Company, shall be listed on BSE and NSE.

The Scheme has been filed with the Stock Exchanges, SEBI and relevant regulators. The observation letters are received from the Stock Exchanges and SEBI. Further the regulatory approvals from RBI, Dubai Financial Services Authority - Dubai, Monetary Authority of Singapore - Singapore, Financial Conduct Authority – United Kingdom, Financial Industry Regulatory Authority – United States of America, Financial Services Commission - Mauritius and the NHB have been received by the respective companies.

The respective companies have filed applications with the National Company Law Tribunal, Mumbai Bench ("**NCLT**") on October 01, 2018 and the NCLT has directed to convene a meeting of equity shareholders of the respective companies on December 12, 2018.

The Board of Directors of our Company, at its meeting held on January 31, 2018, has approved the Scheme.

Our Company has filed the application with the RBI and the Pension Fund Regulatory & Development Authority and has received the NOC from RBI.

Holding Company

IIFL Holdings Limited is one of India's leading financial services player, providing a broad range of financial products and services to a diversified client base. Our Promoter also has several subsidiaries in major global financial centres. Our Promoter's evolution from an entrepreneurial start-up in 1995 to a full range diversified financial services group is a story of steady growth by adapting to the dynamic business environment, without losing focus on its core domain of financial services.

IIFL Holdings Limited was originally incorporated in October 1995 under the name of Probity Research and Services Private Limited, an information services company.

In the year 2000, IIFL Holdings Limited became a pioneer in the retail broking industry with the launch of 5paisa trading platform which offered the lowest brokerage in the industry and freedom from traditional ways of transacting.

Therefrom, our Promoter moved from strength to strength, adding commodities broking; loans and mortgages, institutional equities and wealth management operations; mutual funds and alternative investment funds to its gamut of offerings. Our Promoter was listed on NSE and BSE in 2005.

Subsidiary Companies

The Company has following subsidiaries:

i. **IIFL Home Finance Limited:**

IIFL Home Finance Limited was incorporated under the provisions of the Companies Act, 1956 bearing CIN U65993MH2006PLC166475 on December 26, 2006, under the name of India Infoline Housing Finance Limited. Its name was changed to 'IIFL Home Finance Limited' pursuant to fresh certificate of incorporation dated May 2, 2018 issued by the Registrar of Companies, Maharashtra, Mumbai. It is registered with the NHB as housing finance company vide registration no. 09.0175.18 dated September 14, 2018. The NHB registration no. before change of name of IIFL Home Finance Limited was 02.0070.09 dated February 3, 2009. The IIFL Home Finance Limited has been notified as a financial institution under SARFAESI Act vide Government notification dated June 23, 2010.

IIFL Home Finance Limited caters to retail and corporate customers through its loan offering, which includes both home loans and loans against property, with the key focus area being housing loans to individuals against security of residential collaterals.

ii. **Samasta Microfinance Limited**:

Samasta Microfinance Limited ("**Samasta**") was incorporated as a public limited under the Companies Act, 1956 on August 9, 1995, in Bangalore, Karnataka bearing CIN U65191KA1995PLC057884. Its registered office is situated at 418, 1/2A, 4th Cross, 6th Main, Wilson Garden, Bangalore -560 027. Samasta began operations in March 2008 with an aim to provide financial services to the financially weaker sections of women in the southern and western states of India. As on September 30, 2018 Samasta has 396 branches across 15 states.

As a business correspondent, Samasta uses its market know how and accessibility to the rural and semi urban bottom of pyramid families in India to bring microfinance services like micro loans, credit linked insurance, group based savings account etc. to their doorstep.

Samasta had filed the scheme of merger for merger of its wholly owned subsidiary, Ayusha Dairy Private Limited. The Regional Director, South East Region, Hyderabad vide order dated August 6, 2018 approved the said scheme. Pursuant to receipt of said order, Ayusha Dairy Private Limited stands merged with Samasta.

iii. **Clara Developers Private Limited**:

Clara Developers Private Limited was incorporated as a private limited company under the Companies Act, 1956 on February 7, 2011 under the CIN U70100DL2011PTC213406. Its registered office is situated at Flat No. 621-A, 6th Floor Devika Towers, 6, Nehru Place New Delhi - 110 019.

During the year ended March 31, 2018, the Company had acquired the control and management of Clara Developers Private Limited by purchase of 100 % equity shares in Clara. Pursuant to this Clara has become subsidiary of the Company

Clara was incorporated with an aim to carry on business as owners, developers, builders, colonizers, hirers and dealers of all kinds of lands, buildings, farms, cinemas, hotels and to deal with all kinds of immovable properties whether belonging to Clara or not. They act as consultants for real estates and immovable properties.

Key events, milestones and achievements of the Company

Year	Milestone
2006	Our Company began its operations.
2009	Our Company established a wholly-owned subsidiary namely IIFL Housing Finance Limited (now known as IIFL Home Finance Limited) for housing finance business.
2010	Our Company commenced the gold loan business.
2012	Our Company commenced the commercial vehicle business.
2016	Our Company received investment to the tune of $150 million from CDC Plc Group.
2017	Our Company acquired Samasta Microfinance Limited.

OUR MANAGEMENT

Board of Directors

The general superintendence, direction and management of our affairs and business are vested in our Board of Directors. The Articles of Association sets out that the number of Directors in our Company shall be not less than three and not more than twelve. As of the date of this Draft Shelf Prospectus, we have seven Directors on the Board, out of which three Directors are Executive Directors and four Directors are Non-Executive Directors. Out of the four Non-Executive Directors, three Directors are Independent Directors. Our Company has 1 (one) woman director on the Board.

Details of Board of Directors as on the date of this Draft Shelf Prospectus:

Name, Designation, DIN, Nationality, Occupation and Term	Age (years)	Address	Date of Appointment	Other Directorships
Vijay Kumar Chopra **Designation:** Chairman (Independent Director) **DIN:** 02103940 **Nationality:** Indian **Occupation:** Professional **Term:** Five Years (w.e.f. April 1, 2014)	72	4-A, Harmony Tower, Dr. E. Moses Road, Worli, Mumbai – 400018, Maharashtra	27/06/2012	1. Dewan Housing Finance Corporation Limited 2. Pegasus Asset Reconstruction Private Limited 3. Havells India Limited 4. Milestone Capital Advisors Limited 5. Greenlam Industries Limited 6. Future Enterprises Limited 7. Invesco Asset Management (India) Private Limited 8. DHFL Holdings Limited 9. Sheela Foam Limited 10. IIFL Facilities Services Limited
Nirmal Jain **Designation**: Whole- time Director **DIN**: 00010535 **Nationality:** Indian **Occupation:** Business **Term:** Five Years (w.e.f. April 1, 2014)	52	103 A Wing, Guruprasad CHS Limited, TPS II, CTS 777, F.P., 10 Hanuman Road, Vile Parle (East), Mumbai – 400 057.	07/07/2004	1. IIFL Holdings Limited 2. IIFL Wealth Management Limited 3. IIFL Home Finance Limited (Formerly 'India Infoline Housing Finance Limited') 4. MNJ Consultants Private Limited. 5. Pratham Education Foundation.
Venkataraman Rajamani **Designation**: Whole–time Director **DIN**: 00011919 **Nationality:** Indian **Occupation:** Business **Term**: Three years (w.e.f. September 26, 2016)	50	604, Glen Heights, Powai, Mumbai – 400 076.	07/07/2004	1. IIFL Holdings Limited 2. IIFL Wealth Management Limited 3. IIFL Home Finance Limited (Formerly 'India Infoline Housing Finance Limited') 4. Samasta Microfinance Limited
Sumit Bali	51	Flat No. 201, 2nd floor, Sea	25/06/2018	IIFL Home Finance Limited (Formerly 'India Infoline Housing

Designation: Executive Director and CEO **DIN:** 02896088 **Nationality:** Indian **Occupation:** Professional **Term**: Five Years (w.e.f. June 25, 2018)		Spray Juhu Janki Kutir, Juhu Church Road, near Prithvi Theatre, Vile Parle (West). Mumbai – 400049.		Finance Limited')
Geeta Mathur **Designation:** Independent Director **DIN**: 02139552 **Nationality:** Indian **Occupation:** Professional **Term**: Five Years (w.e.f. July 29, 2015)	51	B-1/8, Vasant Vihar 1, New Delhi 110057.	29/07/2015	1. Motherson Sumi Systems Limited 2. NIIT Limited 3. IIFL Holdings Limited 4. IIFL Wealth Management Limited 5. TATA Communications Transformation Services Limited 6. Brightstar Telecommunications India Limited 7. Anant Management Consultants Private Limited 8. Sentiss Pharma Private Limited 9. J.K. Helene curtis limited 10. JKekt India Limited 11. IIFL Securities limited
Nagarajan Srinivasan **Designation:** Non-executive Director **DIN:** 01480303 **Nationality:** Indian **Occupation:** Professional **Term**: N.A.	55	64, 31st Cross, 7th Block Jayanagar ,Bangalore South, BSK II Stage, Bangalore - 560082	26/09/2016	1. Ayana Renewable Power Private Limited 2. CDC India Advisers Private Limited 3. Rainbow Children's Medicare Private Limited 4. Equitas Small Finance Bank Limited 5. Blue Saphire Healthcares Private Limited 6. Healthcare Global (Africa) Private Limited 7. CDC India Investments Private Limited
Nilesh Vikamsey **Designation:** Independent Director **DIN:** 00031213 **Nationality:** Indian **Occupation:** Professional **Term**: Five Years (w.e.f. March 31, 2017)	54	Kalpataru Habitat, 184 / A Wing, Dr. SS. Rao Road, near Gandhi Hospital, Parel, Mumbai 400012.	31/03/2017	1. IIFL Holdings Limited 2. The Federal Bank Limited 3. SBI Life Insurance Company Limited 4. IIFL Wealth Management Limited 5. Navneet Education Limited 6. Thomas (Cook) India Limited 7. PNB Housing Finance Limited 8. NSEIT Limited 9. Indian Institute of Insolvency Professionals of ICAI 10. SOTC Travel Limited 11. ICAI Registered Valuers Organisation.

Brief profile/particulars of the Directors of the Company

Vijay Kumar Chopra – Chairman - Independent Director

The Chairman and Independent Director, Vijay Kumar Chopra is a fellow member of the Institute of Chartered Accountants of India. He was the whole-time member of SEBI for two years; prior to that he has been a career banker and has held several top positions during his 36 years of experience in banking industry. Some of his accomplishments include being the Chairman and Managing Director in Corporation Bank and SIDBI, 3 years as Executive Director in Oriental Bank of Commerce and 31 years in various capacities in Central Bank of India.

Nirmal Jain, Whole-Time Director

Nirmal Jain is the Whole-time Director of the Company, is a Post Graduate Diploma in Management from Indian Institute of Management, Ahmedabad, a rank holder Chartered Accountant and also a Cost Accountant. He started his career in 1989 with Hindustan Lever Limited. He founded Probity Research and Services Private Limited (later renamed India Infoline Limited) in 1995; an independent equity research company in India. He was instrumental in steering the groups foray into various financial sector activities that have grown over the years into significant businesses in terms of net worth and profitability. Under his leadership, IIFL group has attained its position as a diversified player in the financial services space over the past 23 years.

Venkataraman Rajamani, Whole-time Director

Venkataraman Rajamani, Whole-time Director of the Company, is a B. Tech (Electronics and Electrical Communications Engineering), from IIT Kharagpur and an MBA, Indian Institute of Management, Bangalore. He has been contributing immensely into the establishment of various businesses and spear heading key initiatives of the group over the past 18 years. He previously held senior managerial positions in ICICI Limited, including ICICI Securities Limited, their investment banking joint venture with J P Morgan of US and Barclays – BZW. He worked as the Assistant Vice President with G E Capital Services India Limited in their private equity division. He has a varied experience of more than 27 years in the financial services sector.

Nilesh Vikamsey, Independent Director

Nilesh Vikamsey is a senior partner at Khimji Kunverji & Co., an 82-year-old Chartered Accountants firm and member firm of HLB International. He was observer on board of International Federation of Accountants and Member of IFAC's Technology Advisory Group. He was a member of IRDA. He is member of advisory committee on mutual funds of SEBI. He was chairman of SEBI's qualified audit report committee and member of corporate governance committee chaired by Uday Kotak, primary market advisory committee and committee on disclosures and accounting standards. He was the president of the Institute of Chartered Accountant of India.

Geeta Mathur, Independent Director

Geeta Mathur is a Chartered Accountant and a graduate in commerce from Shriram College of Commerce, Delhi University. She specialises in the area of project, corporate and structured finance, treasury, investor relations and strategic planning. She started her career with ICICI, where she worked for over 10 years in the field of project, corporate and structured finance. She represented ICICI on the Board of reputed companies such as Eicher Motors, Siel Limited etc. She is the co-chair for the India Chapter of Women Corporate Directors Foundation, a global organisation working towards increasing the participation of women on corporate boards and board leadership position.

Nagarajan Srinivasan – Non-executive Director

Nagarajan Srinivasan holds a M.A. (Economics) from Madras University and a post graduate in business administration from Warwick School of Business. He serves as the head of South Asia at CDC group. In his current role, he is responsible for overseeing and advising CDC group on its investments in the region focusing on direct equity investments and debt/ structured finance. In his career of over 30 years in investing and financial services, he has served as a director on the boards of multiple companies.

Sumit Bali, Executive Director and CEO

Sumit Bali is the chief executive officer and an Executive Director of the Company. He holds a B.A. (Hons.) from St. Stephen's college, New Delhi and has completed his PGDM from Indian Institute of Management, Ahmedabad. He is a seasoned banker with an experience of 28 years in the Indian corporate sector. Prior to his current role, he has spent 24 years with Kotak group. His last position at Kotak Mahindra Bank was of senior executive vice president, overseeing consumer banking retail asset products including home loans, loan against property, credit cards, salaried personnel loans and SME loans. Previously he also held the position of chief executive officer of Kotak Mahindra Prime Limited ("**KMPL**") and also was a director on KMPL's board. He began his career with Glaxo India Limited in 1990, and has also worked with Asian Paints (I) Limited.

Remuneration of Directors

The Nomination and Remuneration Committee determines and recommends to the Board the compensation to Directors. The Board of Directors or the shareholders, as the case may be, approve the compensation to Directors.

The tables and details below sets forth the details of the remuneration pertaining to the half year ended September 30, 2018 and last three financial years which has been paid or was payable to the Directors by the Company. The Directors do not receive any remuneration from our subsidiary and associate companies.

Terms of Appointment of Independent Directors

The following are the terms and conditions for the Independent Directors of the Company:

1. Appointment

   Appointment will be for a term of five years from the date of appointment unless terminated earlier or extended, as per the provisions of this letter or applicable laws ("Term"). Independent Director will not be liable to retire by rotation.

   Re-appointment for another Term of maximum period of five years at the end of the current Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the shareholders by way of Special Resolution. Re-appointment would be considered by the Board based on the outcome of the performance evaluation process and upon continuance of meeting the independence criteria.

2. Role, duties and responsibilities

I. As member of the Board Independent Directors' along with the other Directors will be collectively responsible for ensuring the objectives of the Board which include:

   a) The Company ensuring the requirements under the Companies Act, 2013 and Articles of Associations of the Company;
   b) Responsibilities of the Board as outlined in the Corporate Governance requirements as prescribed under Listing agreement/ SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and other applicable laws, if applicable;
   c) Accountability under the Directors' Responsibility Statement;
   d) Overseeing the maintenance of high standards of company's values and ethical conduct of business;
   e) Reviewing the business plan, model and monitoring the action plan;
   f) Overseeing the Company's contribution to enhancing the corporate social responsibility;
   g) Act not in a manner that unfairly obstructs the functioning of the board and its committees;
   h) Strive to attend all meetings of the board and its committees.

II. Independent Directors' shall abide by the 'Code for Independent Directors' as outlined in Schedule IV to Section 149(8) of the 2013 Act, and duties of directors as provided in the 2013 Act (including Section 166), in Listing Agreement/SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and in other applicable laws as may be applicable from time to time.

3. Time Commitment

   Independent Directors' shall devote such time as is prudent and necessary for the proper performance of their role, duties and responsibilities as an Independent Director.

4. Remuneration

a) As an Independent Director you shall be paid sitting fees for attending the meetings of the Board and the Committees of which they are a member as fixed by the Board from time to time.
In addition to the sitting fees, they may be eligible for commission as may be decided by the Board subject to the necessary approval of the shareholders of the Company.

b) Further, the Company may pay or reimburse to them such reasonable travel, hotel or other related expenditure, as may have been incurred by them while performing their role as an Independent Director of the Company. This could include reimbursement of expenditure incurred by them for attending Board/ Committee meetings, Annual General Meetings, Extraordinary General Meetings, court convened meetings, meetings with shareholders/ creditors/ management, induction and training (organized by the Company for Directors) and in obtaining, subject to prior consultation with the Board, professional advice from independent advisors in the furtherance of their duties as an Independent Director.

5. Insurance

The Company has obtained Directors' and Officers' liability insurance policy and Independent Directors' will be covered under the same.

6. Code of Conduct

As an Independent Director of the Company, they agree to comply with the Code of Conduct for Non-Executive Directors ("**NEDs**"). For their reference, the Code of Conduct for Non-Executive Directors is outlined below:

a) Non-Executive Directors of a Company will always act in the interest of the Company and ensure that any other business or personal association which they may have, does not involve any conflict of interest with the operations of the Company and his/ her role therein,
b) Non-Executive Directors will comply with all applicable laws and regulations of all the relevant regulatory and other authorities as may be applicable to such Directors in their individual capacities,
c) Non-Executive Directors will strictly safeguard the confidentiality of all information received by them by virtue of their position.
d) Unless specifically authorised by the Company, they shall not disclose company and business information to public constituencies such as the media, the financial community, employees, shareholders, agents, franchisees, dealers, distributors and importers.
e) Their obligation of confidentiality shall survive termination or cessation of their directorship with the Company.
f) Attention is also drawn to the applicability of both, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as amended from time to time and the Code of Conduct on Prevention of Insider Trading Policy, prohibiting disclosure or use of unpublished price sensitive information.

Additionally, they shall not participate in any business activity which might impede the application of their independent judgment in the best interest of the Company.

7. Familiarization program

The Company shall, if required, conduct formal familiarization program for its Independent Directors.

8. Performance Appraisal / Evaluation Process

As a member of the Board, Independent Directors' performance as well as the performance of the entire Board and its Committees shall be evaluated annually. Evaluation of each director shall be done by all the other directors. The criteria for evaluation shall be determined by the Nomination and Remuneration Committee and disclosed in the Company's Annual Report.

However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee.

9. Disclosures, other directorships and business interests

During the Term, Independent Directors' agree to promptly notify the Company of any change in their directorships, and provide such other disclosures and information as may be required under the Applicable Laws. They also agree that upon becoming aware of any potential conflict of interest with their position as Independent Director of the Company, they shall promptly disclose the same to the Chairman and the Company Secretary. As on date of this letter, they have no such conflict of interest issues with your existing directorships. Further, they are required to obtain prior consent of the Company in case they intent to join the board of any companies engaged in the same sphere of activities that of IIFL group.

During their term, they agree to promptly provide a declaration under Section 149(7) of the 2013 Act, every year and upon any change in circumstances within 20 days which may affect their status as an Independent Director.

10. Changes of personal details

During the term, Independent Directors' shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

11. Termination

Independent Directors' directorship on the Board of the Company shall terminate or cease in accordance with law. Apart from the grounds of termination as specified in the 2013 Act, their directorship may be terminated in case of violation of any provision of the Code of Conduct as applicable to Non-Executive Directors.

Any of the Independent Directors' may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation and also to Registrar of Companies (RoC). The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, specified by them in the notice, whichever is later.

If at any stage during the term, there is a change that may affect their status as an Independent Director as envisaged in Section 149(6) of the 2013 Act or, if applicable, they fail to meet the criteria for "independence" under the applicable laws, they agree to promptly submit their resignation to the Company with effect from the date of such change.

12. Co-operation

In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on Independent Directors' part during the term, they agree to render all reasonable assistance and co-operation to the Company and provide such information and documents as are necessary and reasonably requested by the Company or its counsel.

13. Miscellaneous

The aforesaid represents the entire understanding, in relation to Independent Directors' appointment and, without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.

Details of remuneration paid to the Executive Directors for the half year ended September 30, 2018 and last three fiscal years ended 2018, 2017 and 2016:

(Rs. In million)

Name of Director	Half Year ended Sept 30, 2018	FY 18	FY 17	FY 16
Nirmal Jain	32.18	54.34	43.48	34.79
Venkataraman Rajamani	22.74	38.48	16.22	-
Rajashree Nambiar*	-	27.99	22.30	26.48
Sumit Bali#	17.32	-	-	-

** Rajashree Nambiar has resigned w.e.f. January 31, 2018.*

#Sumit Bali was appointed w.e.f. June 25, 2018.

The terms of remuneration of the Executive Directors are as below:

1. Nirmal Jain, Whole Time Director

The following table sets forth Terms of Remuneration to Nirmal Jain, Whole Time Director with effect from April 1, 2014, as approved by the Shareholders of the Company at their Annual General Meeting held on June 26, 2014:

Particulars	Terms of Remuneration
Basic Salary (w.e.f. April 1, 2018)	Rs. 3.57 million per month.
Housing/ HRA	He shall be entitled to a Company provided house or house rent allowance of upto 50 % of basic salary.
Leave Travel	Expenses for him and his family, once in a year subject to a maximum of one month's basic salary.
Other benefits (w.e.f. April 1, 2018)	In addition to the above, he will be entitled to claim reimbursement of expenses on account of home furnishing, residence telephones, two cars, business promotion, entertainment, professional development and traveling, full re-imbursement of the education expenses of his children and other incidental expenses incurred in the normal course of the company's business, full medical expenses incurred for self and his family, including premium for medical insurance. Other benefits will be subject to a maximum of Rs.1.43 million per month.
Increment	Board / Nomination and Remuneration Committee can determine the remuneration on an annual basis subject to increment not exceeding 25% p.a. of basic salary, allowances and perquisites.
Commission	He shall be paid commission as permissible under the Companies Act 2013 and as determined by the Board / Nomination and Remuneration Committee from time to time.

2. Venkataraman Rajamani, Whole Time Director

The following table sets forth Terms of Remuneration to Venkataraman Rajamani, Whole Time Director with effect from September 26, 2016 as approved by the Shareholders of the Company at their Extraordinary General Meeting held on September 26, 2016:

Particulars	Terms of Remuneration
Basic salary (w.e.f. April 1, 2018)	Basic salary of Rs. 2.54 million per month
Housing/ HRA	He shall be entitled to a Company provided house or house rent allowance of upto 50 % of basic salary.
Leave Travel	Expenses for him and his family, once in a year subject to a maximum of one month's basic salary.
Other benefits (w.e.f. April 1, 2018)	In addition to the above, he will be entitled to claim reimbursement of expenses on account of home furnishing, residence telephones, two cars, business promotion, entertainment, professional development and traveling, full re-imbursement of the education expenses of his children and other incidental expenses incurred in the normal course of the company's business, full medical expenses incurred for self and his family, including premium for medical insurance. Other benefits will be subject to a maximum of Rs. 0.96 million per month.
Increment	Board / Nomination & Remuneration Committee can determine the remuneration on an annual basis subject to increment not exceeding 25% p.a. of basic salary, allowances and perquisites.
Commission	He shall be paid commission as permissible under the Companies Act 2013 and as determined by the Board / Nomination & Remuneration Committee from time to time.

3. Sumit Bali, Executive Director & Chief Executive Officer

The following table sets forth Terms of Remuneration to Sumit Bali, Executive Director & Chief Executive Officer, with effect from June 25, 2018, as approved by the Shareholders of the Company at their Annual General Meeting held on July 31, 2018:

Particulars	Terms of Remuneration
Salary	Rs. 2.29 million per month
Other benefits	The personnel policies of the Company and the related Rules which are applicable to other employees of the Company will also be applicable to Sumit Bali, unless specifically provided otherwise.
Increment	Board / Nomination and Remuneration Committee can determine the increment of remuneration on an annual basis subject to limits as prescribed under the provisions of the Companies Act, 2013.

Remuneration of Non-Executive and Independent Directors

The Non-Executive Independent Directors are paid remuneration by way of sitting fees, commission and other expenses (travelling, boarding and lodging incurred for attending the Board/Committee meetings).

The Company pays sitting fees of Rs.30,000 per meeting to the Non-Executive Independent Directors for attending meetings of the Board and other Committees except the Corporate Social Responsibility Committee meetings for which there is no sitting fees is payable. The commission payable to the Non-Executive Independent Directors of the Company is as decided by the Board of the Company from time to time provided it does not exceed one percent of the net profit of the Company for the respective year.

The following table sets forth all compensation recorded by the Company to the Non-Executive Independent Directors for the half year ended September 30, 2018 and last three fiscal years ended 2018, 2017 and 2016:

(Rs. In million)

Name of Director	Sept 30, 2018		FY 18		FY 17		FY 16	
	Commission	Sitting Fees	Commission	Sitting Fees	Commission	Sitting Fees	Commission	Sitting Fees
Vijay Kumar Chopra	-	0.54	1.00	1.11	1.00	1.47	1.00	1.19
Nilesh Vikamsey ^	-	0.33	-	0.12	-	-	-	0.20
Sunil Kaul**	-	-	-	-	-	-	-	-
Geeta Mathur[#]	-	0.39	0.50	0.96	0.50	1.29	-	0.81
Nagarajan Srinivasan	-	-	-	-	-	-	-	-
Shubhalakshmi Panse[##]	-	0.06	0.84	0.12	-	-	-	-

^Nilesh Vikansey had resigned w.e.f. June 17, 2015 and later on again appointed on March 31, 2017.
[#]Geeta Mathur was appointed on July 29, 2015 as an Independent Director.
**Sunil Kaul has resigned w.e.f. January 20, 2016.
^^Nagarajan Srinivasan was appointed on September 26, 2016.
[##]Shubhalakshmi Panse was appointed on May 31, 2017 and resigned on October 31, 2018

Other understandings and confirmations

No Director of our Company is a director or is otherwise associated in any manner with any company that appears in the list of the vanishing companies as maintained by the Ministry of Corporate Affairs, willful defaulter list maintained by the RBI or Export Credit Guarantee Corporation of India Limited or any other regulatory or governmental authority.

None of our Directors is, or was, a director of any listed company, which has been or was delisted from any recognised stock exchange, during the term of his/her directorship in such company.

None of our Directors have committed any violation of securities laws in the past and no such proceedings are pending against any of our Directors.

None of our present Directors are related to each other.

None of our Directors have not been categorised as a wilful defaulter by the RBI, ECGC, any government/regulatory authority and/or by any bank or financial institution nor are they in default of payment of interest or repayment of principal amount in respect of debt securities issued to the public, for a period of more than six-months

Borrowing Powers of the Board:

Pursuant to resolution passed by the shareholders of our Company at their EGM held on March 23, 2018 and in accordance with provisions of 180 (1)(c) of the Act, the Board has been authorised to borrow sums of money as they may deem necessary for the purpose of the business of our Company, which together with the monies already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business), may exceed at any time, the aggregate of the paid-up capital of our Company and its free reserves (that is to say, reserves, not set apart for any specific purposes) by a sum not exceeding Rs. 35,000 Crores (Rupees Thirty Five Thousand Crores Only).

Interest of the Directors:

All the directors of our Company, including our independent directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them. All the non-executive independent directors of our Company are entitled to sitting fees for every meeting of the Board or a committee thereof, except for Nagarajan Srinivasan. The whole-time Directors of our Company are interested to the extent of remuneration paid for services rendered / ESOP granted, if any, as an officer or employee of our Company.

All the directors of our Company, including independent directors, may also be deemed to be interested to the extent of Equity Shares, if any, held by them or by companies, firms and trusts in which they are interested as directors, partners, members or trustees and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

All our Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective declarations. Except as otherwise stated in this Draft Shelf Prospectus and statutory registers maintained by our Company in this regard, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Shelf Prospectus in which the directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made with them. Our Company's directors have not taken any loan from our Company.

As on the date of this Prospectus, our Directors have not taken any loan from our Company. Except as disclosed in the Section "*Financial Statements*" on page 169 of this Draft Shelf Prospectus none of our Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances provided to anybody corporate, including companies, firms, and trusts, in which they are interested as directors, members, partners or trustees.

None of our Directors' relatives have been appointed to an office or place of profit.

Except as disclosed hereinabove and the section titled *"Risk Factors"* on page 17 of this Draft Shelf Prospectus, the Directors do not have an interest in any venture that is involved in any activities similar to those conducted by our Company.

Except as stated in the section titled *"Financial Statements"* on page 169 of this Draft Shelf Prospectus and to the extent of compensation and commission if any, and their shareholding in our Company, our Directors do not have any other interest in our business.

Our Directors have no interest in any immovable property acquired or proposed to be acquired by the Company in the preceding two years of filing this Draft Shelf Prospectus with the Designated Stock Exchange nor do they have any

interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to the Company. No benefit/interest will accrue to our Promoters/Directors out of the objects of the issue.

Debenture holding of Directors:

As of the date of this Draft Shelf Prospectus, none of our Directors hold any debentures in our Company.

Details of change in Directors since last three years:

Name of Director	DIN	Date of Appointment / Resignation/Change in designation	Remarks
NileshVikamsey (Independent Director)	00031213	June 17, 2015 (Appointed on March 29, 2007)	Resignation
Geeta Mathur (Additional Director)	02139552	July 29, 2015	Appointment
Sunil Kaul (Non Executive Director)	05102910	January 20, 2016 (Appointed on August 9, 2012)	Resignation
Geeta Mathur (Independent Director)	02139552	July 28, 2016	Regularization
Nagarajan Srinivasan (Additional Director)	01480303	September 26, 2016	Appointment
Nagarajan Srinivasan (Non-executive Director)	01480303	September 26, 2016	Regularization
Venkataraman Rajamani (Whole-time Director)	00011919	September 26, 2016	Change in designation
Nilesh Vikamsey (Additional Director)	00031213	March 31, 2017	Appointment
Shubhalakshmi Panse (Independent Director)	02599310	May 31, 2017	Appointment
Nilesh Vikamsey (Independent Director)	00031213	July 22, 2017	Regularization
Rajashree Nambiar (Executive Director & CEO)	06932632	January 29, 2018 (Appointed on January 29, 2015)	Change in designation
Rajashree Nambiar (Director & CEO)	06932632	January 31, 2018	Resignation
Sumit Bali (Additional Director in the capacity of Wholetime Director & CEO)	02896088	June 25, 2018	Appointment
Sumit Bali (Executive Director & CEO)	02896088	July 31, 2018	Regularization
Shubhalakshmi Panse (Independent Director)	02599310	October 31, 2018 (Appointed on May 31, 2017)	Resignation

Shareholding of Directors in the Company, including details of qualification shares held by Directors as on the date of this Draft Shelf Prospectus:

As of the date of this Draft Shelf Prospectus, none of our Directors hold any shares in our Company.

Shareholding of our Directors in IIFL Holdings Limited, as on September 30, 2018:

S.No.	Name of the Director	No. of Equity Shares of Rs. 2/- each
1.	Nirmal Jain	47,952,000
2.	Venkataraman Rajamani	10,909,432
3.	Nilesh Vikamsey	165,000
4.	Sumit Bali	4,900
5.	Meeta Bali, along with Sumit Bali	675

Shareholding of Directors in subsidiaries companies, including details of qualification shares held by Directors as on the date of this Draft Shelf Prospectus:

As of the date of this Draft Shelf Prospectus, none of our Directors hold any shares in our Subsidiary companies.

Key Managerial Personnel's of our Company:

Prabodh Agrawal – Chief Financial Officer

Prabodh Agrawal is a Chartered Accountant with over 25 years of experience with HSBC, Credit Lyonnais Securities Asia and IIFL group in Singapore and Mumbai, Prabodh Agrawal worked in equity capital markets for over 20 years before moving to the current role of Group CFO. He joined IIFL in July 2007 as President – Institutional Equities and International operations, based out of Singapore and moved back to Mumbai in July 2012 as Head of Research and assumed the role of group CFO in January 2016. He has close oversight of all key businesses of IIFL group including the NBFC, Wealth and Capital Markets. He was appointed as a Chief Financial Officer of the Company w.e.f. October 31, 2017.

Gajendra Thakur – Company Secretary & Compliance Officer

Gajendra Thakur, aged 39 years, is a qualified member of the Institute of Company Secretaries of India and a Law Graduate with around 16 years of experience in the Secretarial function. He is presently working as the Company Secretary of IIFL Holdings Limited and India Infoline Finance Limited. Prior to joining IIFL, he has worked with Reliance Capital Asset Management Limited (AMC of Reliance Mutual Fund) as the Company Secretary of the Company for around 3 years. He was also associated with Centrum Capital Limited for around 6 years as the Company Secretary of the Company. He also held various positions in Rajratan Global Wires Limited and Satish Jain & Company, prior to joining Centrum.

Apart from the Key Managerial Personnel's of our Company as disclosed above, Nirmal Jain, Venkataraman Rajamani and Sumit Bali are also the Key Managerial Personnel of the Company and their profiles are stated in this section under the head "*Brief profiles / particulars of the Directors of the Company"*.

Corporate Governance

We are in compliance with the requirements in relation to the composition of the Board of Directors and constitution of Committees such as Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, and Stakeholders' Relationship Committee as mandated under the Companies Act, 2013.

Pursuant to a RBI Circular dated May 8, 2007 (including modifications made from time to time) and the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, all NBFC-ND-SIs are required to adhere to certain corporate governance norms including constitution of audit committee, nomination and remuneration committee, asset liability management committee, risk management committee and certain other norms in connection with disclosure and transparency and connected lending. Our Company is in compliance with these corporate governance requirements.

Details of various committees of the Board as on September 30, 2018:

Audit Committee

The Audit Committee was constituted vide a resolution passed by the Board on October 10, 2005. The Audit Committee has been reconstituted from time to time and was last reconstituted vide a resolution passed by the Board on October 31, 2018. As on the date of this Draft Shelf Prospectus, it comprises of:

Name	Designation	Nature of Directorship
Nilesh Vikamsey	Chairman	Independent Director
Vijay Kumar Chopra	Member	Independent Director
Nagarajan Srinivasan	Member	Non-Executive Director
Geeta Mathur	Member	Independent Director

1. The role of the Audit Committee is to review and monitor, amongst other things:

1.1 The integrity of the Company's financial statements and related announcements, including significant financial reporting judgements contained in them.

1.2 The effectiveness of the Company's internal financial controls.

1.3 The effectiveness of the internal and external audit processes.

1.4 The Company's relationship with the external auditors.

1.5 The effectiveness of the group's whistle blowing procedures.

2. The Audit Committee may sub-delegate any or all of its powers and authority as it sees fit, including, without limitation the establishment of sub-committees to analyse particular issues or themes and to report back to the Audit Committee.

3. The Audit Committee has authority to investigate any matter relating to the Company and their business units and subsidiaries. It also has authority to obtain any information as it may require from any Director, officer or employee of the Group.

4. The Audit Committee has authority to engage independent counsel and other professional advisers at the reasonable expense of the Company, and to invite them to attend meetings.

5. The Audit Committee will undertake the following tasks/functions for the Company:

5.1 Financial reporting – Monitor the integrity of the Company's financial statements and the auditor's report thereon, interim management statements, preliminary announcements and any other formal announcements relating to the Company's financial performance. In particular:

5.1.1 Review and, where appropriate, report to the Board on the significant financial reporting issues and estimates and judgements made in connection with the preparation of the Company's financial statements, interim management statements, preliminary announcements and any formal announcements relating to the Company's financial performance.

5.1.2 Review where necessary the clarity, completeness and appropriateness of disclosures in the Company's financial statements and consider whether the disclosures made are set properly in context, including, without limitation, the going concern statement to be made by the Board of the Company and the related information presented with the financial statements (including the strategic report and corporate governance statements relating to the audit).

5.1.3 Review where necessary the significant accounting policies and practices of the Company, including as to their establishment, consistency and any changes to them (both on a year to year basis and across the Company).

5.1.4 Consider whether the Company has adopted appropriate accounting standards and policies and, where necessary, made appropriate estimates and judgments, taking into account the views of the external auditor.

5.1.5 Review the methods used to account for significant or unusual transactions where accounting treatment is open to different approaches

5.1.6 Review and monitor any significant adjustments arising from the audit.

5.2 Narrative reporting – Advise the Board on whether, taken as a whole, the Annual Report and accounts are fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

5.3 Internal controls – Provide assurance to the Board that executive management's control assurance processes are implemented and are complete and effective. In particular, review the Company's internal controls, including:

5.3.1 Review the appropriateness and completeness of the system of internal control.

5.3.2 Review and approve the statements on internal controls to be included in the Company's Annual Report, prior to their endorsement by the Board and the external auditors.

5.3.3 Enquire from the Chief Executive officer and Chief Financial Officer as to the existence of any significant deficiencies in the design or operation of the Company's system of internal controls, any material weaknesses in internal controls and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's affairs

5.4 Internal audit – Monitor and review the effectiveness, independence and objectivity of Company's internal audit function in the context of the Company's overall risk management system. In particular:

5.4.1 Review and approve the scope of the internal audit function

5.4.2 Ensure the Company's chief internal auditor has direct access to the Audit Committee and is accountable to the Audit Committee.

5.4.3 Review and monitor the effectiveness of the work of the internal audit function, including in the context of the Company's internal control and risk management systems and its performance against its agreed objectives.

5.4.4 Review and monitor auditor's independence and performance.

5.4.5 Review, assess and approve the annual audit plan prepared by the internal audit function including any material changes to the audit plan.

5.4.6 Ensure internal audit has the necessary resources and access to information to enable it to fulfil its mandate, including reviewing and approving its budget.

5.4.7 Review and monitor the coordination between internal audit and the external auditors.

5.4.8 At least once a year, meet with internal audit without executive Directors or executive management present to discuss their remit and any issues arising from the internal audits carried out. The Chairman of the Committee shall also normally be available before each Audit Committee meeting to meet internal audit for private discussions. In addition, the head of internal audit shall be given the right of direct access to the Chairman of the Board and of the Audit Committee.

5.4.9 Receive and review reports on the results of internal auditors' work on a regular basis

5.4.10 Review and monitor management's responsiveness in remedying internal auditors' findings and recommendations and any deficiencies identified by supervisory authorities related to the internal audit function.

5.5 External audit – Oversee the Group's relationship with the external auditors and assess the effectiveness of the external audit process. In particular:

5.5.1 Consider and make recommendations to the Board, to be put to the Shareholders for approval, in relation to the appointment, re-appointment and removal of the Company's external auditor. The Committee shall oversee the selection process for a new auditor, and if an auditor resigns the Committee shall investigate the issues leading to this and decide whether any action is required.

5.5.2 Oversee the relationship with the external auditor.

5.6 Related Party Transactions - The Audit Committee shall approve all Related Party Transactions of the Company including any subsequent modifications thereof. Provided that the Audit Committee may give omnibus approval for Related Party Transactions proposed to be entered into by the Company subject to applicable Law and the policy of the Company on Related Party Transactions.

5.7 Whistle blowing - Review the adequacy and security of the Company's arrangements for its employees and contractors to raise complaints and concerns, in confidence, about possible wrongdoing in financial reporting or other matters and ensure that these arrangements allow proportionate and independent investigation of those matters and appropriate follow up action.

5.8 Regulatory reporting - Review arrangements established by management for compliance with regulatory financial reporting and best practice requirements including the requirements and recommendations of relevant regulatory or supervisory bodies.

6 Other matters:

6.1 Scrutiny of inter-corporate loans and investments;

6.2 Valuation of undertakings or assets of the Company, wherever necessary; and

6.3 Monitoring end use of funds raised through public offers and related matters.

7 The Audit Committee shall:

7.1 Have access to sufficient resources in order to carry out its duties, including access to the secretariat for assistance as required;

7.2 Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members

7.3 Give due consideration to laws and regulations, as appropriate;

7.4 Be responsible for co-ordination of the internal and external auditors;

7.5 Oversee any investigation of activities which are within its terms of reference;

7.6 Work and liaise as necessary with all other Board committees; and

7.7 Ensure there is regular review its performance, constitution and terms of reference.

The Audit Committee have such powers and it performs such functions as may be required under the Companies Act, 2013 and such other applicable Regulations as may be notified by Reserve Bank of India from time to time.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted vide a resolution passed by the Board on July 18, 2007. This Committee has been reconstituted from time to time and was last reconstituted vide a resolution passed by the Board on September 26, 2016. As on the date of this Draft Shelf Prospectus, it comprises:

Name	Designation	Nature of Directorship
Geeta Mathur	Chairperson	Independent Director
Nagarajan Srinivasan	Member	Non-Executive Director
Vijay Kumar Chopra	Member	Independent Director

The terms of reference of the Nomination and Remuneration Committee inter alia includes the following:

1. Identify persons who are qualified to become Directors and who may be appointed in senior management and recommend to the Board their appointment and removal.

2. Carry out evaluation of every Director's performance.

3. Formulate the criteria for determining qualifications, positive attributes and independence of a Director.

4. To devise policy on:

    a. Remuneration including any compensation related payments of the Directors, Key Managerial Personnel and other employees and recommend the same to the Board of the Company.
    b. Board diversity laying out an optimum mix of Executive, Independent and Non-Independent Directors keeping in mind the needs of the Company.

5. To carry out such other business as may be required by applicable law or considered appropriate in view of the general terms of reference and the purpose of the Nomination and Remuneration Committee.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted vide a resolution passed by the Board on May 13, 2014. This Committee has been reconstituted from time to time and was last reconstituted w.e.f. June 25, 2018 vide a resolution passed by the Board on June 22, 2018. As on the date of this Draft Shelf Prospectus, it comprises:

Name	Designation	Nature of Directorship
Vijay Kumar Chopra	Chairman	Independent Director
Venkataraman Rajamani	Member	Whole Time Director
Sumit Bali	Member	Executive Director and CEO

The terms of reference of the Stakeholders Relationship Committee inter alia includes the following:

1. Consider and resolve the grievances of security holders of the company and to take up such other matters as per the directions of the Board of Directors of the Company and/ or as required under laws as may be applicable to the Company or as may be voluntarily identified by the Committee for reference purposes.

2. Authorize any individual to sign in response to stakeholder grievances and do such act, things or deeds as may be required in order to resolve grievances; etc.

Risk Management Committee

The Risk Management Committee was constituted vide a resolution passed by the Board on March 29, 2007. This Committee has been reconstituted from time to time and was last reconstituted vide a resolution passed by the Board on January 31, 2018. As on the date of this Draft Shelf Prospectus, it comprises:

Name	Designation	Nature of Directorship
Vijay Kumar Chopra	Chairman	Independent Director

Nilesh Vikamsey	Member	Independent Director
VenkataramanRajamani	Member	Whole-Time Director
Geeta Mathur	Member	Independent Director

The terms of reference of the Risk Management Committee inter alia includes the following:

1. To ensure there is an embedded, robust process in place throughout the Company to identify, assess, mitigate and report business risks with clear lines of ownership.

2. To drive and co-ordinate risk management process covering all areas of risks, including operational, strategic, financial, commercial, regulatory, reputational etc.

3. To ensure that the business risk strategy and management processes comply with applicable regulatory requirements and corporate governance principles.

4. To ensure that the business risk management principles and processes are widely understood across the Company through adequate induction, training and awareness programmes.

5. To periodically monitor and review Company's key business risks and risk mitigation plans, and advise the Board of business risks which could materially impact Company's delivery of its business plans, strategy, and reputation, if left untreated.

6. To monitor external developments in the business environment which may have an adverse impact on Company's risk profile, and make recommendations, as appropriate.

7. To sponsor specialist reviews of key risk areas as appropriate.

8. To report to the Board on key risks, risk management performance and the effectiveness of internal controls.

9. To constitute operating risk management committee and delegate such powers to it as may be deemed necessary.

Corporate Social Responsibility Committee ("CSR Committee")

The Corporate Social Responsibility Committee was constituted vide a resolution passed by the Board on March 29, 2014. This Committee has been reconstituted from time to time and was last reconstituted w.e.f. June 25, 2018 vide a resolution passed by the Board on June 22, 2018. As on the date of this Draft Shelf Prospectus, it comprises:

Name	Designation	Nature of Directorship
Venkataraman Rajamani	Chairman	Whole Time Director
Geeta Mathur	Member	Independent Director
Sumit Bali	Member	Executive Director and CEO

The terms of reference of the CSR Committee inter alia includes the following:

1. Consider any matters relating to the social, charitable, community and educational activities, expenditures and related publications of the Company and its subsidiary companies that it determines to be desirable. In addition, the CSR Committee shall examine any other matters referred to it by the Board.

2. Maintain the Company's CSR policy framework (e.g. environment, human rights and responsible business conduct) in line with best practice and the appropriate international standards and guidelines.

3. Receive reports and review activities from executive and specialist groups managing CSR matters across the Company's operations.

4. Consider and propose an annual budget for CSR activities to the Board.

Asset Liability Management Committee ("ALCO")

The Asset Liability Management Committee was constituted vide a resolution passed by the Board on April 25, 2007. This Committee has been reconstituted from time to time and was last reconstituted w.e.f. June 25, 2018 vide a resolution passed by the Board on June 22, 2018. As on the date of this Draft Shelf Prospectus, it comprises:

Name	Designation	Nature of Directorship
Vijay Kumar Chopra	Chairman	Independent Director
Venkataraman Rajamani	Member	Whole Time Director
Sumit Bali	Member	Executive Director and CEO

The terms of reference of the Asset Liability Management Committee inter alia includes the following:

1. Ensuring adherence to the limits set by the Board as well as for deciding the business strategy of the Company (on the assets and liabilities sides) in line with the Company's budget and decided risk management objectives.

2. Prepare forecasts (simulations) showing the effects of various possible changes in market conditions related to the balance sheet and recommend the action needed to adhere to Company's internal limits.

3. Ensure that the Company operates within the limits / parameters set by the Board.
4. ALCO would also articulate the current interest rate view of the Company and base its decisions for future business strategy on this view.

5. Measuring and managing liquidity needs and ensure Company's ability to meet its liabilities as they become due, liquidity management can reduce probability of an adverse situation developing.

6. Present to the Board statement of assets and liabilities.

7. Update Board on various assets and securitization of mortgage loans, commercial vehicle & gold loans.

8. Recommending Board about the viable source of finance to cater fund requirements of the Company

Finance Committee

The Finance Committee was constituted vide a resolution passed by the Board on November 5, 2011. This Committee has been reconstituted from time to time and was last reconstituted w.e.f. June 25, 2018 vide a resolution passed by the Board on June 22, 2018. As on the date of this Draft Shelf Prospectus, it comprises:

Name	Designation	Nature of Directorship
Venkataraman Rajamani	Chairman	Whole Time Director
Sumit Bali	Member	Executive Director and CEO
Prabodh Agrawal	Member	-
Amarnath BS	Member	-
Kaumudi Biyani	Member	-

The terms of reference of the Finance Committee inter alia includes the following:

1. To borrow funds for and on behalf of the Company up to the maximum amount as determined by the Board of Directors of the Company from time to time.

2. To invest funds of the Company from time to time in equity shares, preference shares, debt securities, bonds, whether listed or unlisted, secured or unsecured, fixed deposits, units of mutual fund, security receipts, securities, etc taking into consideration all investment parameters subject to such amount and limits as provided in the investment policy of the Company and any amount above this said amount shall require the approval of Board at its Board Meeting;

3. To allot securities of the Company including equity shares, preference shares, debt securities, bonds, etc from time to time;

4. To enter into securitization/assignment transaction/s in the name of Company in terms of RBI Guidelines.

5. To borrow funds for meeting short term requirements of funds of the Company by issuing commercial paper.

6. To authorize various persons from time to time to sign the vakalatnamas, plaints, applications, replies, written statements, affidavits and other paper/documents in the legal proceedings, appeals etc. filed by the Company or against the Company and to appear before the Court, Tribunal and other Judicial/Quasi Judicial bodies, local authority and other Government authorities;

7. To avail guarantee from companies, body corporates and any person from time to time in connection with a loan, financial assistance, etc availed by the Company from bank, financial institution, non-banking financial companies, other body corporates, etc;

8. To avail security from Companies, body corporates and any person from time to time to be provided as collateral/security in connection with a loan, financial assistance, etc availed by the Company from bank, financial institution, non-banking financial companies, other body corporates, etc;

9. Powers relating to issuance and allotment of Debentures:

    a. To determine terms and conditions and number of debentures to be issued.

    b. Determining timing, nature, type, pricing and such other terms and conditions of the issue including coupon rate, minimum subscription, retention of oversubscription, if any and early redemption thereof.

    c. To approve and make changes to the Draft Prospectus, to approve the Final Prospectus, including any corrigendum, amendments supplements thereto, and the issue thereof.

    d. To identify the select group of persons to whom the debentures shall be issued & allotted.

    e. To do all such acts, deeds and things which the Board is empowered to do as per Section 42 of the Companies Act, 2013 read with rules framed thereunder, as may be necessary or expedient, from time to time.

    f. To approve all other matters relating to the issue and do all such acts, deeds, matters and things including execution of all such deeds, documents, instruments, applications and writings as it may, at its discretion, deem necessary and desirable for such purpose including without limitation the utilization of the issue proceeds, modify or alter any of the terms and conditions, including size of the Issue, as it may deem expedient, extension of Issue and/or early closure of the Issue

10. To authorize various persons from time to time to sign and execute various agreements, papers, documents, undertakings, letters, memorandum of understanding, applications, statements, submissions, etc including any modification of the above, and other necessary documents, for and on behalf of the Company, as may be required in the ordinary course of business of the Company.

IT Strategy Committee

The Board of Directors of our Company has constituted IT Strategy Committee, as per RBI Circular, vide a resolution passed by the Board on September 30, 2017. This Committee has been reconstituted w.e.f. October 31, 2018 vide a resolution passed by the Board on October 31, 2018. As on the date of this Draft Shelf Prospectus, it comprises:

Constitution of the IT Strategy Committee is as set out below:

Name of Member	Designation
Vijay Kumar Chopra	Chairman
Aniruddha Dange	Member
Tejas Mehta	Member
Aditya Sisodia	Member
Anujeet Kudva	Member

The terms of reference of the IT Strategy Committee inter alia includes the following:

1. Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;

2. Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;

3. Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;

4. Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;

5. Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls.

6. Instituting an appropriate governance mechanism for outsourced processes, comprising of risk based policies and procedures, to effectively identify, measure, monitor and control risks associated with outsourcing in an end to end manner;

7. Defining approval authorities for outsourcing depending on nature of risks and materiality of outsourcing;

8. Developing sound and responsive outsourcing risk management policies and procedures commensurate with the nature, scope, and complexity of outsourcing arrangements;

9. Undertaking a periodic review of outsourcing strategies and all existing material outsourcing arrangements;

10. Evaluating the risks and materiality of all prospective outsourcing based on the framework developed by the Board;

11. Periodically reviewing the effectiveness of policies and procedures;

12. Communicating significant risks in outsourcing to the NBFC's Board on a periodic basis;

13. Ensuring an independent review and audit in accordance with approved policies and procedures;

14. Ensuring that contingency plans have been developed and tested adequately;

15. Ensuring that the business continuity preparedness is not adversely compromised on account of outsourcing.

16. To work in partnership with other Board committees and Senior Management to provide input to them. It will also carry out review and amend the IT strategies in line with the corporate strategies, Board Policy reviews, cyber security arrangements and any other matter related to IT Governance.

Further, the Board of Directors of the Company has constituted various other committees comprising of senior management persons for day to day operations of the Company viz. Group Credit Committee, Credit Committee, Environment Social and Governance Committee.

OUR PROMOTER

Profile of the Promoter

About IIFL Holdings Limited

Our Promoter, IIFL Holdings Limited, was incorporated as a public limited under the Companies Act, 1956 on October 18, 1995, in Mumbai, Maharashtra under the CIN L74999MH1995PLC093797. IIFL Holdings Limited was originally incorporated under the name of Probity Research and Services Private Limited, an information services company. Its registered office is at IIFL House, Sun Infotech Park, Road No. 16V, Plot No.B-23, Thane Industrial Area, Wagle Estate Thane MH 400604. It is one of the leading players in the Indian financial services space. Our Promoter is engaged in the business of financing, asset and wealth management, capital markets and financial products distribution, investment banking, institutional equities through its various subsidiaries. It holds certificate of registration with SEBI as a Merchant Banker and Investment advisor vide certificate numbers - INM 000010940 and INA000002082 respectively.

Background

Our Promoter is one of India's leading financial services player, providing a broad range of financial products and services to diversified client base. Our Promoter also has several subsidiaries in major global financial centres. Our Promoter's evolution from an entrepreneurial start-up in 1995 to a full range diversified financial services group is a story of steady growth by adapting to the dynamic business environment, without losing focus on its core domain of financial services.

In the year 2000, IIFL Holdings Limited became a pioneer in the retail broking industry with the launch of 5paisa trading platform which offered the lowest brokerage in the industry and freedom from traditional ways of transacting.

Therefrom, our Promoter moved from strength to strength, adding commodities broking; loans and mortgages, institutional equities and wealth management operations; mutual funds and alternative investment funds to its gamut of offerings. Our Promoter was listed on NSE and BSE in 2005.

Other understanding and confirmations

IIFL Holdings Limited has confirmed that it has not been identified as willful defaulter by the RBI or any other governmental authority.

No violation of securities laws has been committed by IIFL Holdings Limited in the past or is currently pending against it except as disclosed in section titled "*Outstanding Litigations and Defaults*" on page 196 of this Draft Shelf Prospectus. IIFL Holdings Limited or its directors are not debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

IIFL Holdings Limited is not in default of payment of interest or repayment of principal amount in respect of debt securities issued by it to the public, if any, at any time.

Common Pursuits of IIFL Holdings Limited

Our Promoter has interests in IIFL Wealth Finance Limited (step down subsidiary of IIFL Holdings Limited), a systemically important non-deposit accepting NBFC, which is engaged in businesses similar to ours and this may result in potential conflict of interest with our Company.

For further details, see section titled *"Risk Factors"* at page 17 of this Draft Shelf Prospectus.

For further details on the related party transactions, to the extent up to which our Company is involved, see the section titled *"Financial Statements"* at page 169 of this Draft Shelf Prospectus.

Interest of the Promoter in the Company

Except as stated in the section titled *"Financial Statements"* on page 169 of this Draft Shelf Prospectus and other than

as our shareholders, our Promoter and / or Promoter entities, to the extent of the dividend that may be declared by our Company, do not have any other interest in our Company.

Further, our Promoter has given certain corporate guarantees in relation to loan facilities availed by our Company. For details please refer to the section titled "*Financial Indebtedness*" at page 175.

Equity share allotted to our Promoter in last three fiscal years:

Nil

Payment of benefit to the Promoter in last three years

Other than as disclosed under the *"Related Party Transactions"* segment of the Financial Statements of the Company, available at page 169 of this Draft Shelf Prospectus and other than the dividend that may be declared and paid by our Company, the Company has not made payments of any benefits to the Promoter during the last three years preceding the date of this Draft Shelf Prospectus.

Details of shares pledged or encumbered by our Promoter

No shares have been pledged or encumbered by our Promoter as of the date of this Draft Shelf Prospectus.

Shareholding pattern of our Promoter in the Company as on September 30, 2018:

Name of Promoter shareholder	Total Number of Equity Shares	Number of shares in demat form	Total shareholding as % of total no of equity shares	Number of shares pledged	% of shares pledged with respect to shares owned
IIFL Holdings Limited (Including its Nominees)	237,369,386	237,359,386	84.53	NIL	NIL

Shareholding Pattern of IIFL Holdings Limited as on September 30, 2018

Summary Statement holding of specified securities

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights										
								Class eg: X	Class eg: y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	8	92361432	0	0	92361432	28.95	92361432	0	92361432	28.95	0	28.95	0	0	0	0	92361432
(B)	Public	39093	226628215	0	0	226628215	71.03	226628215	0	226628215	71.03	0	71.03	0	0	NA	NA	226330164
(C)	Non Promoter - Non Public				0				0			0			0	NA	NA	
(C1)	Shares Underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0	NA	NA	0
(C2)	Shares Held By Employee Trust	1	75000	0	0	75000	0.02	0	0	0	0.02	0	0.02	0	0	NA	NA	75000
	Total	**39102**	**31906647**	**0**	**0**	**319064647**	**100.00**	**318989647**	**0**	**318989647**	**100.00**	**0**	**100.00**	**0**	**0**	**0**	**0**	**318766596**

Statement showing shareholding pattern of the Promoter and Promoter group

	Category & Name of the shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights										
								Class eg: X	Class eg: y	Total								
	(I)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V) + (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
1	Indian																	
a	Individuals / Hindu Undivided Family	6	88361432	0	0	88361432	27.69	88361432	0	88361432	27.69	0	27.69	0	0	0	0	88361432
	Nirmal Bhanwarlal Jain	1	47952000	0	0	47952000	15.03	47952000	0	47952000	15.03	0	15.03	0	0	0	0	47952000
	Madhu N Jain	1	13700000	0	0	13700000	4.29	13700000	0	13700000	4.29	0	4.29	0	0	0	0	13700000
	Venkataraman Rajamani	1	10909432	0	0	10909432	3.42	10909432	0	10909432	3.42	0	3.42	0	0	0	0	10909432
	Aditi Avinash Athavankar	1	9000000	0	0	9000000	2.82	9000000	0	9000000	2.82	0	2.82	0	0	0	0	9000000
	Mansukhlal Jain	1	6600000	0	0	6600000	2.07	6600000	0	6600000	2.07	0	2.07	0	0	0	0	6600000
	Aditi Athavankar	1	200000	0	0	200000	0.06	200000	0	200000	0.06	0	0.06	0	0	0	0	200000
(b)	Central Government / State Government(s)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
(c)	Financial Institutions / Banks	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
(d)	Any Other (Specify)	2	4000000	0	0	4000000	1.25	4000000	0	4000000	1.25	0	1.25	0	0	0	0	4000000
	Persons Acting In Concert	2	4000000	0	0	4000000	1.25	4000000	0	4000000	1.25	0	1.25	0	0	0	0	4000000
	Ardent Impex Private Limited	1	2700000	0	0	2700000	0.85	2700000	0	2700000	0.85	0	0.85	0	0	0	0	2700000
	Orpheus Trading Private Limited	1	1300000	0	0	1300000	0.41	1300000	0	1300000	0.41	0	0.41	0	0	0	0	1300000
	Sub Total (A)(1)	8	92361432	0	0	92361432	28.95	92361432	0	92361432	28.95	0	28.95	0	0	0	0	92361432
2	Foreign																	

	Category & Name of the shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights										
								Class eg: X	Class eg: y	Total								
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
(b)	Government	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
(e)	Any Other (Specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0
	Sub Total (A)(2)	**0**	**0**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0**	**0.00**	**0**	**0**	**0**	**0**	**0**
	Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2)	**8**	**923614 32**	**0**	**0**	**923614 32**	**28.95**	**923614 32**	**0**	**923614 32**	**28.95**	**0**	**28.95**	**0**	**0**	**0**	**0**	**92361432**

Statement showing shareholding pattern of the Public shareholder

	Category & Name of the shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights										
								Class eg: X	Class eg: y	Total								
	(I)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
1	Institutions																	
a	Mutual Fund	8	8400227	0	0	8400227	2.63	8400227	0	8400227	2.63	0	2.63	0	0	NA	NA	8400227
	L And T Mutual Fund Trustee Limited - L And T Hybrid Equity Fund	1	4999848	0	0	4999848	1.57	4999848	0	4999848	1.57	0	1.57	0	0	NA	NA	4999848
b	Venture Capital Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	NA	NA	0
c	Alternate Investment Funds	7	286520	0	0	286520	0.09	286520	0	286520	0.09	0	0.09	0	0	NA	NA	286520
d	Foreign Venture Capital Investors	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	NA	NA	0
e	Foreign Portfolio Investor	124	72752585	0	0	72752585	22.80	72752585	0	72752585	22.80	0	22.80	0	0	NA	NA	72752585
	Hwic Asia Fund Class A Shares	1	28362530	0	0	28362530	8.89	28362530	0	28362530	8.89	0	8.89	0	0	NA	NA	28362530
	Bank Muscat India Fund	1	12598222	0	0	12598222	3.95	12598222	0	12598222	3.95	0	3.95	0	0	NA	NA	12598222
	Wf Asian Reconnaissance Fund Limited	1	6606330	0	0	6606330	2.07	6606330	0	6606330	2.07	0	2.07	0	0	NA	NA	6606330
f	Financial Institutions / Banks	3	24151	0	0	24151	0.01	24151	0	24151	0.01	0	0.01	0	0	NA	NA	24151
g	Insurance Companies	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	NA	NA	0
h	Provident Funds/ Pension Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	NA	NA	0
i	Any Other (Specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	NA	NA	0

	Category & Name of the shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights										
								Class eg: X	Class eg: y	Total								
	(I)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
	Sub Total (B)(1)	142	81463483	0	0	81463483	25.53	81463483	0	81463483	25.53	0	25.53	0	0	NA	NA	81463483
2	Central Government/ State Government(s)/ President of India																	
	Sub Total (B)(2)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	NA	NA	0
3	Non-Institutions																	
a	Individuals		0	0										0		NA	NA	
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	35826	12272318	0	0	12272318	3.85	12272318	0	12272318	3.85	0	3.85	0	0	NA	NA	12199267
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	32	20871840	0	0	20871840	6.54	20871840	0	20871840	6.54	0	6.54	0	0	NA	NA	20871840
b	NBFCs registered with RBI	7	575438	0	0	575438	0.18	575438	0	575438	0.18	0	0.18	0	0	NA	NA	575438
c	Employee Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	NA	NA	0
d	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	NA	NA	0
e	Any Other (Specify)	3086	111445136	0	0	111445136	34.93	111445136	0	111445136	34.93	0	34.93	0	0	NA	NA	111220136
	IEPF	1	26244	0	0	26244	0.01	26244	0	26244	0.01	0	0.01	0	0	NA	NA	26244

	Category & Name of the shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights										
								Class eg: X	Class eg: y	Total								
	(I)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
	Trusts	6	19348	0	0	19348	0.01	19348	0	19348	0.01	0	0.01	0	0	NA	NA	19348
	Foreign Nationals	3	241757	0	0	241757	0.08	241757	0	241757	0.08	0	0.08	0	0	NA	NA	241757
	Hindu Undivided Family	976	390136	0	0	390136	0.12	390136	0	390136	0.12	0	0.12	0	0	NA	NA	390136
	Foreign Companies	1	84641445	0	0	84641445	26.53	84641445	0	84641445	26.53	0	26.53	0	0	NA	NA	84641445
	Fih Mauritius Investments Limited	1	84641445	0	0	84641445	26.53	84641445	0	84641445	26.53	0	26.53	0	0	NA	NA	84641445
	Non Resident Indians (Non Repat)	373	6039363	0	0	6039363	1.89	6039363	0	6039363	1.89	0	1.89	0	0	NA	NA	6039363
	Bharat H Parajia	1	5331778	0	0	5331778	1.67	5331778	0	5331778	1.67	0	1.67	0	0	NA	NA	5331778
	Non Resident Indians (Repat)	802	17077211	0	0	17077211	5.35	17077211	0	17077211	5.35	0	5.35	0	0	NA	NA	16852211
	Bharat H Parajia	1	10000000	0	0	10000000	3.13	10000000	0	10000000	3.13	0	3.13	0	0	NA	NA	10000000
	Satpal Khattar	1	6171528	0	0	6171528	1.93	6171528	0	6171528	1.93	0	1.93	0	0	NA	NA	6171528
	Office Bearers	1	72000	0	0	72000	0.02	72000	0	72000	0.02	0	0.02	0	0	NA	NA	72000
	Clearing Member	148	257749	0	0	257749	0.08	257749	0	257749	0.08	0	0.08	0	0	NA	NA	257749
	Bodies Corporate	775	2679883	0	0	2679883	0.84	2679883	0	2679883	0.84	0	0.84	0	0	NA	NA	2679883
	Sub Total (B)(3)	38951	145164732	0	0	145164732	45.50	145164732	0	145164732	45.50	0	45.50	0	0	NA	NA	144866681
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	**39093**	**226628215**	**0**	**0**	**226628215**	**71.03**	**226628215**	**0**	**226628215**	**71.03**	**0**	**71.03**	**0**	**0**	**NA**	**NA**	**226330164**

Statement showing shareholding pattern of the Non-Promoter, Non-Public shareholder

	Category & Name of the shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights										
								Class eg: X	Class eg: y	Total								
	(I)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
1	Custodian/DR Holder	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0
2	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	1	75000	0	0	75000	0.02	75000	0	75000	0.02	0	0.02	0	0	NA	NA	75000
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	**1**	**75000**	**0**	**0**	**75000**	**0.02**	**75000**	**0**	**75000**	**0.02**	**0**	**0.02**	**0**	**0**	**NA**	**NA**	**75000**

Board of Directors of our Promoter as on the date of filing this Draft Shelf Prospectus:

Name of the Directors	Designation
Nirmal Jain	Whole-time Director
Venkataraman Rajamani	Managing Director
Kranti Sinha	Independent Director
Nilesh Vikamsey	Independent Director
Arun Kumar Purwar	Independent Director
S. Narayan	Independent Director
Geeta Mathur	Independent Director
Chandran Ratnaswami	Non-Executive Director

Interest of our Promoters in property, land and construction

Except as stated in the section titled *"Financial Statements"* at page 169 of this Draft Shelf Prospectus, our Promoter does not have any interest in any property acquired by our Company within two years preceding the date of filing of this Draft Shelf Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery.

OUR SUBSIDIARIES

Brief summary of our Subsidiaries

1. IIFL Home Finance Limited (earlier known as India Infoline Housing Finance Limited)

IIFL Home Finance Limited was incorporated under the provisions of Companies Act, 1956 bearing CIN U65993MH2006PLC166475 on December 26, 2006, under the name of India Infoline Housing Finance Limited. Its name was changed to 'IIFL Home Finance Limited' pursuant to fresh certificate of incorporation dated May 2, 2018 issued by the Registrar of Companies, Maharashtra, Mumbai. It is registered with the NHB as housing finance company vide Registration No. 09.0175.18 dated September 14, 2018. The NHB registration no. before change of name of IIFL Home Finance Limited was 02.0070.09 dated February 3, 2009. The IIFL Home Finance Limited has been notified as a financial institution under SARFAESI Act vide Government notification dated June 23, 2010.

IIFL Home Finance Limited caters to a vast segment of retail and corporate customers through its loan offering, this includes both Home Loans and Loans against Property, with the key focus area being housing loans to individuals against the security of residential collaterals.

Principal Business

IIFL Home Finance Limited is involved in carrying out activities of Housing Finance.

Board of Directors

Details of Board of Directors of IIFL Home Finance Limited is as set out in the below table:

S.No.	Name of Directors	Designation	DIN No.
1.	S. Sridhar	Chairman & Independent Director	00004272
2.	Kranti Sinha	Independent Director	00001643
3.	Suvalaxmi Chakraborty	Independent Director	00106054
4.	Nirmal jain	Non-Executive Director	00010535
5.	Venkataraman Rajamani	Non-Executive Director	00011919
6.	Sumit Bali	Non-Executive Director	02896088
7.	Monu Ratra	Executive Director & CEO	07406284

Shareholding Pattern

The Shareholding pattern of IIFL Home Finance Limited as on September 30, 2018 is as set out in the table below:

S. No.	Name of Equity Shareholders	No. of Equity Shares held of face value of Rs. 10/- each	% total of Equity Shares
1.	India Infoline Finance Limited	19967581	99.99%
2.	Chintan Modi*	100	0.00%
3.	Narendra Jain*	100	0.00%
4.	R. Mohan*	100	0.00%
5.	Monu Ratra*	100	0.00%
6.	Amit Kumar Gupta*	100	0.00%
7.	Gajendra Thakur*	100	0.00%
	Total	**19968181**	**100.00%**

***Note**: 6 nominee shareholders are holding 100 equity shares each on behalf of India Infoline Finance Limited.*

2. Samasta Microfinance Limited

Samasta Microfinance Limited ("**Samasta**"), was incorporated as a public limited company under the Companies Act, 1956 on August 9, 1995, in Bangalore, Karnataka under the CIN U65191KA1995PLC057884. Its registered office is at 418, 1/2A, 4th Cross, 6th Main, Wilson Garden, Bangalore -560027. Samasta began operations in March 2008 with an aim to provide financial services to the financially weaker sections of women in India. As on September 30, 2018 Samasta has 396 branches across 15 states.

Samasta offers credit support to women who have either limited or no access to formal banking channels. Samasta provides financial services to the economically weaker sections of society with an aim to bring microfinance services to the doorstep of the rural and semi-urban BoP (Bottom of Pyramid) families in India.

Samasta had filed the scheme of merger for merger of its wholly owned subsidiary, Ayusha Dairy Private Limited. The Regional Director, South East Region, Hyderabad vide order dated August 6, 2018 approved the said scheme. Pursuant to receipt of said order, Ayusha Dairy Private Limited stands merged with Samasta.

Principal Business

Samasta is involved in the business of microfinance lending.

Board of Directors

Details of the board of directors of Samasta is as set out in the table below:

S.No.	Name of Directors	Designation	DIN
1.	Venkataraman Rajamani	Non-Executive Director	00011919
2.	Seshadri Badrinarayanan	Independent Director	00507371
3.	Malini Benjamin Eden	Independent Director	00732954
4.	Narayanaswamy Venkatesh	Managing Director	01018821
5.	Vikraman Ampalakkat	Independent Director	01978341
6.	Shivaprakash Deviah	Whole Time Director	02216802
7.	Ramanathan Annamalai	Independent Director	02645247
8.	Gaurav Malhotra	Non-Executive Director	07640504

Shareholding Pattern

The Shareholding pattern of Samasta is as set out in the table below:

S.No.	Name of the Share holder	No. of Equity Shares held	% of Share Holding
1.	Shivaprakash D.	3,45,000	0.24
2.	V.A. Narayanaswamy	10,52,938	0.72
3.	Anitha Shivaprakash	1,93,200	0.13
4.	Narayanaswamy Venkatesh	13,35,840	0.92
5.	India Infoline Finance Limited	14,30,19,707	97.99
6.	Prema Narayanaswamy	1	0.00
7.	Vidhya Anand	1	0.00
	TOTAL	**14,59,46,687**	**100.00**

Note: *Prema Narayanaswamy and Vidhya Anand, holding one equity share of Rs.10 each respectively are registered owners, the beneficial interest of such shares lies with V.A. Narayanaswamy.*

3. Clara Developers Private Limited

During the year ended March 31, 2018, the Company had acquired the control and management of M/s Clara Developers Private Limited ("Clara") by purchase of 100 % equity shares of Clara. Pursuant to such acquisition, Clara has become subsidiary of the Company.

Clara was incorporated as a private limited company under the Companies Act, 1956 on February 7, 2011 under the CIN U70100DL2011PTC213406. Its registered office is situated at Flat No. 621-A, 6th Floor Devika Towers, 6, Nehru Place, New Delhi - 110019.

Clara was incorporated with an aim to carry on business as owners, developers, builders, colonizers, hirers and dealers of all kinds of lands, buildings, farms, cinemas, hotels and to deal with all kinds of immovable properties whether belonging to Clara or not. They act as consultants for real estates and immovable properties.

Principal Business

Clara is engaged in real estate activities with its own or leased properties.

Board of Directors

The details of the board of directors of Clara is as set out in the table below:

S.No.	Name of Director	Designation	DIN
1.	Narendra Deshmal Jain	Director	01984467
2.	Anil Nelson Mascarenhas	Director	03575717
3.	Balaji Raghavan	Director	05326740

Shareholding Pattern

The details of the shareholding pattern of Clara is as set out below:

S.No.	Name of the Equity Shareholders	Number of Equity shares held of face value of Rs. 10 each	Face value per share	% of total equity shares
1.	Anil Mascarenhas (As a nominee of India Infoline Finance Limited)	1000	10	10%
2.	India Infoline Finance Limited	9000	10	90%
	TOTAL	**10000**		**100%**

REGULATIONS AND POLICIES

The regulations summarised below are not exhaustive and are only intended to provide general information to investors and are neither designed nor intended to be a substitute for any professional legal advice. Taxation statutes such as the IT Act, 1956 and applicable tax statutes, labour regulations such as the Employees State Insurance Act, 1948 and the Employees Provident Fund and Miscellaneous Provisions Act, 1952, and other miscellaneous regulations such as the Trade Marks Act, 1999 and applicable Shops and Establishments statutes apply to us as they do to any other Indian company and therefore have not been detailed below. For purposes of this section, references to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification are to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarification as amended from time to time. Investors shall carefully consider the information described below, together with the information set out in other sections of this Draft Shelf Prospectus including the financial statements before making an investment decision relating to the NCDs, as any changes in the regulations and policies could have a material adverse effect on our Company's business.

The following description is a summary of certain sector specific laws and regulations and policies as prescribed by the Government of India and other regulatory bodies, which are applicable to our Company. The information detailed in this section has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of the Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Our Company is a systemically important NBFC which does not accept public deposits. As such, our business activities are regulated by RBI regulations applicable to a Systemically Important Non – Deposit taking Non –Banking Financial Company ("**ND-SI-NBFC**").

As at September 1, 2016, the RBI issued an *updated Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016*, *(as updated from time to time)* applicable to all ND-SI-NBFCs ("**RBI Master Directions**").

The major regulations governing our Company are detailed below:

NBFC Regulations

The Reserve Bank of India Act, 1934

The RBI regulates and supervises activities of NBFCs. Chapter III B of the Reserve Bank of India Act, 1934 ("**RBI Act**") empowers the RBI to regulate and supervise the activities of all NBFCs in India. The RBI Act defines an NBFC under Section 45-I (f) as:

(i) "a financial institution which is a company;
(ii) a non-banking institution which is a company and which has as its principal business the receiving of deposits, under any scheme or arrangement or in any other manner, or lending in any manner;
(iii) such other non-banking institution or class of such institutions as the RBI may, with the previous approval of the Central Government and by notification in the Official Gazette, specify."

Section 45-I(c) of the RBI Act, defines "financial institution" to mean any non-banking institution which, among other things, carries on the business of, or part of its business of, financing, by way of making of loans or advances or otherwise, of any activity other than its own; the acquisition of shares, stock, bonds, debentures or securities issued by a Government or local authority or other marketable securities of a like nature, leasing, hire-purchase, insurance business, chit business but does not include any institution whose principal business is that of carrying out any agricultural or industrial activities or the sale/purchase/construction of immovable property.

The RBI has clarified through a press release (Ref. No. 1998-99/ 1269) dated April 08, 1999, that in order to identify a particular company as an NBFC, it will consider both the assets and the income pattern as evidenced from the last audited balance sheet of the company to decide its principal business. The company will be treated as an NBFC if(a) its financial assets are more than 50 per cent of its total assets (netted off by intangible assets); and (b) income from financial assets should be more than 50 per cent of the gross income. Both these tests are required to be satisfied as the determinant factor for principal business of a company.

Every NBFC is required to submit to the RBI a certificate, from its statutory auditor within one month from the date of finalization of the balance sheet and in any case, not later than December 30 of that year, stating that it is engaged in the business of non-banking financial institution requiring it to hold a certificate of registration.

With effect from 1997, NBFCs were not permitted to commence or carry on the business of a non-banking financial institution without obtaining a Certificate of Registration ("**CoR**"). Further, with a view to imparting greater financial soundness and achieving the economies of scale in terms of efficiency of operations and higher managerial skills, the RBI has raised the requirement of minimum net owned fund ("**NOF**") from Rs. 2.5 million to Rs. 20 million for the NBFC which commences business on or after April 21, 1999 also it shall be mandatory for all NBFCs to attain a minimum NOF of Rs. 20 million by the end of April 1, 2017.

NBFCs are primarily governed by the RBI Act and the RBI Master Directions. In addition to these regulations, NBFCs are also governed by various circulars, notifications, guidelines and directions issued by the RBI from time to time.

Although by definition, NBFCs are permitted to operate in similar sphere of activities as banks, there are a few important and key differences. The most important distinctions are:

- An NBFC cannot accept deposits repayable on demand – in other words, NBFCs can only accept fixed term deposits.;
- NBFCs are not allowed to deal in foreign exchange; and
- NBFCs do not form part of the payment and settlement system and cannot issue cheques drawn on itself.
- Deposit insurance facility of Deposit Insurance and Credit Guarantee Corporation is not available to depositor of NBFCs.

Section 45-IA of the RBI Act makes it mandatory for every NBFC to get itself registered with the Reserve Bank in order to be able to commence any of the aforementioned activities.

Further, an NBFC may be registered as a deposit accepting NBFC ("**NBFC-D**") or as a non-deposit accepting NBFC ("**NBFC-ND**"). NBFCs registered with RBI are further classified as:

- Asset finance companies;
- Investment companies;
- Systemically Important Core Investment Company;
- Loan companies;
- Infrastructure finance companies;
- Infrastructure debt fund - NBFCs;
- NBFC - micro finance institutions;
- NBFC –Factors;
- Mortgage guarantee companies;
- NBFC- non-operative financial holding company; and
- Non-Banking Financial Company-Peer to Peer Lending Platform.

Our Company has been classified as a loan company and is an NBFC-ND-SI

Systemically Important NBFC-NDs

The RBI in its notification (RBI/2014-15/520 DNBR (PD) CC.No.024/03.10.001/2014-15) dated March 27, 2015, the revised threshold for defining systemic significance for NBFCs-ND in the light of the overall increase in the growth of the NBFC sector. NBFCs-ND-SI will henceforth be those NBFCs-ND which have asset size of Rs. 5000 million and above as per the last audited balance sheet. Moreover, as per this amendment, all NBFCs-ND with assets of Rs. 5000 million and above, irrespective of whether they have accessed public funds or not, shall comply with prudential regulations as applicable to NBFCs-ND-SI. NBFCs-ND-SI is required to comply with conduct of business regulations if customer interface exists.

All systemically important NBFCs are required to maintain a minimum Capital to Risk-Weighted Assets Ratio (CRAR) of 15%.

Rating of NBFCs

Pursuant to RBI Master Directions all applicable NBFCs are required to furnish information about downgrading or upgrading of the assigned rating of any financial product issued by them, within 15 days of such a change in rating to Regional Office.

Prudential Norms

The RBI Master Directions, amongst other requirements, prescribe guidelines on NBFCs-ND-SI regarding income recognition, asset classification, provisioning requirements, constitution of audit committee, capital adequacy requirements, concentration of credit/investment and norms relating to infrastructure loans. The RBI Master Directions state that the credit/ investment norms shall not apply to a systemically important non-banking financial company not accessing public funds in India, either directly or indirectly, and not issuing guarantees.

Provisioning Requirements

An NBFC-ND, after taking into account the time lag between an account becoming non-performing, its recognition, the realization of the security and erosion overtime in the value of the security charged, shall make provisions against standard assets, sub-standard assets, doubtful assets and loss assets in the manner provided for in the RBI Master Directions.

In the interests of counter cyclicality and so as to ensure that NBFCs create a financial buffer to protect them from the effect of economic downturns, RBI vide their circular no. DNBS.PD.CC. No.207/ 03.02.002/2010-11 dated January 17, 2011, introduced provisioning for Standard Assets by all NBFCs. NBFCs are required to make a general provision at 0.25% of the outstanding standard assets. RBI vide their circular no. DNBR (PD) CC No. 037/03.01.001/2014-15 dated June 3, 2015 raised the provision for standard assets to 0.40% to be met by March 2018. The provisions on standard assets are not reckoned for arriving at net NPAs. The provisions towards Standard Assets are not needed to be netted from gross advances but shown separately as 'Contingent Provisions against Standard Assets' in the balance sheet. NBFCs are allowed to include the 'General Provisions on Standard Assets' in Tier II Capital which together with other 'general provisions/ loss reserves' will be admitted as Tier II Capital only up to a maximum of 1.25% of the total risk-weighted assets.

Capital Adequacy Norms

Every NBFC-ND-SI should maintain, with effect from April 1, 2007, a minimum capital ratio consisting of Tier I and Tier II Capital of not less than 15% of its aggregate risk weighted assets on balance sheet and of risk adjusted value of off-balance sheet items is required to be maintained. Further, NBFCs primarily engaged in lending against gold jewellery (such loans comprising 50% or more of their financial assets) are required to maintain a minimum Tier I capital of 12.00%. Also, the total of the Tier II Capital of a ND-NBFC shall not exceed 100% of the Tier I capital.

Tier – I Capital means, owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund; and perpetual debt instruments issued by a Systemically important non-deposit taking non-banking financial company in each year to the extent it does not exceed 15% of the aggregate Tier I Capital of such company as on March 31 of the previous accounting year.

Owned Funds means, paid-up equity capital, Cumulative Compulsory Convertible Preference Shares which are compulsorily convertible into equity, free reserves, balance in share premium account; capital reserve representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of assets; less accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.

Tier – II Capital means to include the following (a) Cumulative Compulsory Convertible Preference Shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of 55%;(c) general provisions and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one-and one-fourth per cent of risk weighted assets; (d) hybrid debt capital instruments; and (e) subordinated debt to the extent the aggregate does not exceed Tier – I capital; and (f) perpetual debt instrument issued by a systemically important ND-NBFC, which is in excess of what qualifies for Tier I Capital to the extent that the aggregate Tier-II capital does not exceed 15% of the Tier – I capital.

Hybrid debt means, capital instrument, which possess certain characteristics of equity as well as debt.

Subordinated debt means a fully paid up capital instrument, which is unsecured and is subordinated to the claims of other creditors and is free from restrictive clauses and is not redeemable at the instance of the holder or without the consent of the supervisory authority of the NBFC. The book value of such instrument is subjected to discounting as prescribed.

Credit Concentration Norms

In order to ensure better risk management and avoidance of concentration of credit risks, the RBI has, in terms of the RBI Master Direction, prescribed credit exposure limits for financial institutions in respect of their lending to single/group borrowers. Credit exposure to a single borrower shall not exceed 15% of the owned funds of the systemically important NBFC-ND, while the credit exposure to a single group of borrowers shall not exceed 25% of the owned funds of the systemically important NBFC-ND. Further, the systemically important NBFC-ND may not invest in the shares of another company exceeding 15% of its owned funds, and in the shares of a single group of companies exceeding 25% of its owned funds. Any systemically important NBFC-ND classified as asset finance company by RBI, may in exceptional circumstances, exceed the above ceilings by 5% of its owned fund, with the approval of its Board of Directors. Further, the loans and investments of the systemically important NBFC-ND taken together may not exceed 25% of its owned funds to or in a single party and 40% of its owned fund to or in single group of parties.

However, this prescribed ceiling shall not be applicable on a NBFC-ND-SI for investments in the equity capital of an insurance company to the extent specifically permitted by the RBI.

The above norms shall apply to any NBFC-ND-SI not accessing public funds, either directly or indirectly and not issuing guarantees. Further, NBFC-ND-SI may exceed the concentration of credit / investment norms, by 5% for any single party and by 10% for a single group of parties, if the additional exposure is on account of infrastructure loan and / or investment.

Corporate governance norms

As per the RBI Master Directions, all NBFC-ND-SI are required to adhere to certain corporate governance norms, including constitution of an audit committee, a nomination committee, an asset liability management committee and risk management committee. NBFCs are required to furnish to the RBI a quarterly statement on change of directors, and a certificate from the managing director of the NBFC that fit and proper criteria in selection of the directors has been followed. Further, all applicable NBFCs shall have to frame their internal guidelines on corporate governance with the approval of its board of directors, enhancing the scope of the guidelines without sacrificing the spirit underlying the above guidelines and it shall be published on the company's web-site, if any, for the information of various stakeholders constitution of a nomination committee, a risk management committee and certain other norms in connection with disclosure, transparency and connected lending has also been prescribed in the RBI Master Circular. Further, RBI *vide* notification dated November 10, 2014 has mandated the Audit Committee to ensure that an information systems audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the company. RBI has also mandated the NBFCs to have a policy to ascertain the 'fit and proper criteria' at the time of appointment of directors and on a continuing basis.

Asset Classification

The RBI Master Directions require that every NBFC shall, after taking into account the degree of well-defined credit weaknesses and extent of dependence on collateral security for realisation, classify its lease/hire purchase assets, loans and advances and any other forms of credit into the following classes:

(i) Standard assets;
(ii) Sub-standard assets;
(iii) Doubtful assets; and
(iv) Loss assets.

Further, such class of assets would not be entitled to be upgraded merely as a result of rescheduling, unless it satisfies the conditions required for such upgradation. At present every NBFC is required to make a provision for standard assets at 0.40%.

Other stipulations

All NBFCs are required to frame a policy for demand and call loan that includes provisions on the cut-off date for recalling the loans, the rate of interest, periodicity of such interest and periodical reviews of such performance.

The RBI Master Directions also specifically prohibit NBFCs from lending against its own shares.

Net Owned Fund

Section 45-IA of the RBI Act provides that to carry on the business of a NBFC, an entity would have to register as an NBFC with the RBI and would be required to have a minimum net owned fund of Rs. 20 million.

For this purpose, the RBI Act has defined "net owned fund" to mean:

Net Owned Fund - The aggregate of the paid-up equity capital and free reserves as disclosed in the latest balance sheet of the company, after deducting (i) accumulated balance of losses, (ii) deferred revenue expenditure, (iii)deferred tax asset (net); and (iv) other intangible assets; and further reduced by the amounts representing,

(i) investment by such companies in shares of (i) its subsidiaries, (ii) companies in the same group, (iii) other NBFCs; and

(ii) the book value of debentures, bonds, outstanding loans and advances (including hire purchase and lease finance) made to, and deposits with (i) subsidiaries of such companies; and (ii) companies in the same group, to the extent such amount exceeds 10% of (a) above.

Further, in accordance with RBI/DNBR/2016-17/45 Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016 (as amended up March 31, 2018), which provides that a non-banking financial company holding a certificate of registration issued by RBI and having minimum net owned fund of less than Rs. 20 million may continue to carry on the business of non-banking financial institution, if such company achieves net owned fund of Rs. 20 million before April 1, 2017.

Reserve Fund

Under Section 45 – IC of the RBI Act, every NBFC must create a reserve fund and transfer thereto a sum not less than 20 per cent of its net profit every year, as disclosed in the statement of profit and loss account and before any dividend is declared. Such a fund is to be created by every NBFC irrespective of whether it is a ND-NBFC or not. Further, no appropriation can be made from the fund for any purpose by the NBFC except for the purposes specified by the RBI from time to time and every such appropriation shall be reported to the RBI within 21 days from the date of such appropriation.

Maintenance of liquid assets

The RBI through notification dated January 31, 1998, as amended has prescribed that every NBFC shall invest and continue to invest in unencumbered approved securities valued at a price not exceeding the current market price of such securities an amount which shall, at the close of business on any day be not less than 10% in approved securities and the remaining in unencumbered term deposits in any scheduled commercial bank; the aggregate of which shall not be less than 15% of the public deposit outstanding at the last working day of the second preceding quarter.

NBFCs such as the Company, which do not accept public deposits, are subject to lesser degree of regulation as compared to a NBFC-D and are governed by the RBI's Non- Deposit Accepting Companies Directions.

An NBFC-ND is required to inform the RBI of any change in the address, telephone no's, etc. of its Registered Office, names and addresses of its directors/auditors, names and designations of its principal officers, the specimen signatures of its authorised signatories, within one month from the occurrence of such an event. Further, an NBFC-ND would need to ensure that its registration with the RBI remains current.

All NBFCs (whether accepting public deposits or not) having an asset base of Rs.1,000 million or more or holding public deposits of Rs.2,000 million or more (irrespective of asset size) as per their last audited balance sheet are required to comply with the RBI Guidelines for an Asset-Liability Management System.

Similarly, all NBFCs are required to comply with "Know Your Customer Guidelines - Anti Money Laundering Standards" issued by the RBI, with suitable modifications depending upon the activity undertaken by the NBFC concerned.

Fair Practices Code

The RBI Master Directions requires all NBFCs having customer interface to formulate with the approval of their Boards a Fair Practices Code (which shall preferably be in the vernacular language or a language as understood by the borrower) based on the directions outlined therein. Applicable NBFCs will have the freedom of drafting the Fair Practices Code, enhancing the scope of the directions but in no way sacrificing the spirit underlying the directions. The same shall be put up on their web-site, if any, for the information of various stakeholders.

Guidelines for NBFCs with gold loan business

The RBI pursuant to the RBI Master Directions has prescribed that all NBFCs shall maintain a loan to value ratio not exceeding 75% for loans granted against the collateral of gold jewellery. The RBI Master Directions has issued guidelines with regard to the following:

(i) Appropriate infrastructure for storage of gold ornaments: A minimum level of physical infrastructure and facilities is available in each of the branches engaged in financing against gold jewellery including a safe deposit vault and appropriate security measures for operating the vault to ensure safety of the gold and borrower convenience. Existing NBFCs should review the arrangements in place at their branches and ensure that necessary infrastructure is put in place at the earliest. No new branches should be opened without suitable storage arrangements having been made thereat. No business of grant of loans against the security of gold can be transacted at places where there are no proper facilities for storage/security.

(ii) Prior approval of RBI for opening branches in excess of 1,000: It is henceforth mandatory for NBFC to obtain prior approval of the Reserve Bank to open branches exceeding 1,000. However, NBFCs which already have more than 1,000 branches may approach the Bank for prior approval for any further branch expansion. Besides, no new branches will be allowed to be opened without the facilities for storage of gold jewellery and minimum security facilities for the pledged gold jewellery.

(iii) Standardization of value of gold in arriving at the loan to value ratio: For arriving at the value of gold jewellery accepted as collateral, it will have to be valued at the average of the closing price of 22 carat gold for the preceding 30 days as quoted by BBA or the historical spot gold price data publicly disseminated by a commodity exchange regulated by the Forward Markets Commission.

(iv) Verification of the Ownership of gold: NBFCs should have Board approved policies in place to satisfy ownership of the gold jewellery and adequate steps be taken to ensure that the KYC guidelines stipulated by the Reserve Bank are followed and due diligence of the customer undertaken. Where the gold jewellery pledged by a borrower at any one time or cumulatively on loan outstanding is more than 20 grams, NBFCs must keep record of the verification of the ownership of the jewellery. The method of establishing ownership should be laid down as a Board approved policy.

(v) Auction Process and Procedures: The following additional stipulations are made with respect to auctioning of pledged gold jewellery:

a. The auction should be conducted in the same town or taluka in which the branch that has extended the loan is located.

b. While auctioning the gold the NBFC should declare a reserve price for the pledged ornaments. The reserve price for the pledged ornaments should not be less than 85% of the previous 30 day average closing price of 22 carat gold as declared by The Bombay Bullion Association Limited and value of the jewellery of lower purity in terms of carats should be proportionately reduced.

c. It will be mandatory on the part of the NBFCs to provide full details of the value fetched in the auction and the outstanding dues adjusted and any amount over and above the loan outstanding should be payable to the borrower.

d. NBFCs must disclose in their annual reports the details of the auctions conducted during the financial year including the number of loan accounts, outstanding amounts, value fetched and whether any of its sister concerns participated in the auction.

(vi) Other Instructions:

a. NBFCs financing against the collateral of gold must insist on a copy of the PAN Card of the borrower for all transaction above Rs. 500,000.

b. High value loans of Rs. 20,000 and above must only be disbursed by cheque.

c. Documentation across all branches must be standardized.

d. NBFCs shall not issue misleading advertisements like claiming the availability of loans in a matter of 2-3 minutes.

Reserve Bank of India (Know Your Customer (KYC)) Master Directions, 2016 dated February 25, 2016, as amended ("RBI KYC Directions")

The RBI KYC Directions are applicable to every entity regulated by the RBI, specifically, scheduled commercial banks, regional rural banks, local area banks, primary (urban) co-operative banks, state and central co-operative banks, all India financial institutions, NBFCs, miscellaneous non-banking companies and residuary non-banking companies, amongst others. In terms of the RBI KYC Directions, every entity regulated there under is required to formulate a KYC policy which is duly approved by the board of directors of such entity or a duly constituted committee thereof. The KYC policy formulated in terms of the RBI KYC Directions is required to include four key elements, being customer acceptance policy, risk management, customer identification procedures and monitoring of transactions. It is advised that all NBFC'S adopt the same with suitable modifications depending upon the activity undertaken by them and ensure that a proper policy framework of anti-money laundering measures is put in place. The RBI KYC Directions provide for a simplified procedure for opening accounts by NBFCs. It also provides for an enhanced and simplified due diligence procedure. It has prescribed detailed instructions in relation to, inter alia, the due diligence of customers, record management, and reporting requirements to Financial Intelligence Unit – India. The RBI KYC Directions have also issued instructions on sharing of information while ensuring secrecy and confidentiality of information held by Banks and NBFCs. The regulated entities must also adhere to the reporting requirements under Foreign Account Tax Compliance Act and Common Reporting Standards. The RBI KYC Directions also require the regulated entities to ensure compliance with the requirements/obligations under international agreements. The regulated entities must also pay adequate attention to any money-laundering and financing of terrorism threats that may arise from new or developing technologies, and ensure that appropriate KYC procedures issued from time to time are duly applied before introducing new products/services/technologies.

Financing of NBFCs by banks

RBI Master circular DBR.BP.BC.No.5/21.04.172/2015-16 on Financing of NBFCs by bank

The RBI has issued guidelines vide a circular bearing number DBOD No. FSD. BC.46/24.01.028/2006-07 dated December 12, 2006 relating to the financial regulation of systemically important NBFC-NDs and the relationship of banks with such institutions. In particular, these guidelines prohibit banks from lending to NBFCs for the financing of certain activities, such as (i) bill discounting or rediscounting, except where such discounting arises from the sale of commercial vehicles and two wheelers or three wheelers, subject to certain conditions; (ii) unsecured loans or corporate deposits by NBFCs to any company; (iii) investments by NBFCs both of current and long term nature, in any company; (iv) all types of loans and advances by NBFCs to their subsidiaries, group companies, entities;(v) further lending to individuals for the purpose of subscribing to an initial public offer.

In addition to the above the RBI has issued guidelines vide a circular dated bearing number DBR.BP.BC.No.5/21.04.172/2015- 16 dated July 1, 2015 relating to bank financing of NBFCs predominantly engaged in lending against gold has directed banks to (i) reduce their regulatory exposure ceiling on a single NBFC, having gold loans to the extent of 50% or more of its total financial assets 10% of banks' capital funds. However, the exposure ceiling may go up by 5%, i.e., up to 15% of banks' capital funds if the additional exposure is on account of funds on-lent by NBFCs to the infrastructure sector and (ii) to have an internal sub-limit on their aggregate exposures to all such NBFCs, having gold loans to the extent of 50% or more of their total financial assets, taken together. The sub-limits should be within the internal limit fixed by the banks for their aggregate exposure to all NBFCs put together.

Norms for excessive interest rates

In addition, the RBI has introduced vide a circular bearing reference number RBI/ 2006-07/ 414 dated May 24, 2007whereby RBI has requested all NBFCs to put in place appropriate internal principles and procedures in determining interest rates and processing and other charges. In addition to the aforesaid instruction, the RBI has issued a Master Circular on Fair Practices Code dated July 01, 2015 for regulating the rates of interest charged by the NBFCs.

These circulars stipulate that the board of each NBFC is required to adopt an interest rate model taking into account the various relevant factors including cost of funds, margin and risk premium. The rate of interest and the approach for gradation of risk and the rationale for charging different rates of interest for different categories of borrowers are required to be disclosed to the borrowers in the application form and expressly communicated in the sanction letter. Further, this is also required to be made available on the NBFC's website or published in newspapers and is required to be updated in the event of any change therein. Further, the rate of interest would have to be an annualized rate so that the borrower is aware of the exact rates that would be charged to the account.

Supervisory Framework

In order to ensure adherence to the regulatory framework by systemically important ND-NBFCs, the RBI has directed such NBFCs to put in place a system for submission of an annual statement of capital funds, and risk asset ratio, etc. as at the end of March every year, in a prescribed format. This return is to be submitted electronically within a period of three months from the close of every financial year. Further, a NBFC is required to submit a certificate from its statutory auditor that it is engaged in the business of non-banking financial institution requiring to hold a certificate of registration under the RBI Act. This certificate is required to be submitted within one month of the date of finalization of the balance sheet and in any other case not later than December 30 of that particular year. Further, in addition to the auditor's report under Section 143 of the Companies Act, 2013, the auditors are also required to make a separate report to the Board of Directors on certain matters, including correctness of the capital adequacy ratio as disclosed in the return NBS-7 to be filed with the RBI and its compliance with the minimum CRAR, as may be prescribed by the RBI. Where the statement regarding any of the items referred relating to the above, is unfavorable or qualified, or in the opinion of the auditor the company has not complied with the regulations issued by RBI , it shall be the obligation of the auditor to make a report containing the details of such unfavourable or qualified statements and/or about the non-compliance, as the case may be, in respect of the company to the concerned Regional Office of the Department of Non-Banking Supervision of the Bank under whose jurisdiction the Registered Office of the company is located.

Asset Liability Management

The RBI has prescribed the Guidelines for Asset Liability Management ("**ALM**") System in relation to NBFCs ("**ALM Guidelines**") that are applicable to all NBFCs through a Master Circular on Miscellaneous Instructions to All Non-Banking Financial Companies dated September 1, 2016. As per this Master Circular, the NBFCs (engaged in and classified as equipment leasing, hire purchase finance, loan, investment and residuary non-banking companies) meeting certain criteria, including an asset base of Rs.10,000 lakh, irrespective of whether they are accepting / holding public deposits or not, or holding public deposits of Rs. 200 million or more (irrespective of the asset size) as per their audited balance sheet as of March 31, 2001, are required to put in place an ALM system. The ALM system rests on the functioning of ALM information systems within the NBFC, ALM organization including an Asset Liability Committee ("**ALCO**") and ALM support groups, and the ALM process including liquidity risk management, management of marketing risk, funding and capital planning, profit planning and growth projection, and forecasting/ preparation of contingency plans. It has been provided that the management committee of the board of directors or any other specific committee constituted by the board of directors should oversee the implementation of the system and reviews functioning periodically. The ALM Guidelines mainly address liquidity and interest rate risks. In case of structural liquidity, the negative gap (i.e. where outflows exceed inflows) in the 1 to 30/ 31 days' time-bucket should not exceed the prudential limit of 15% of outflows of each time-bucket and the cumulative gap of up to one year should not exceed 15% of the cumulative cash outflows of up to one year. In case these limits are exceeded, the measures proposed for bringing the gaps within the limit should be shown by a footnote in the relevant statement.

Anti-Money Laundering

The RBI has issued a Master Circular dated July 01, 2015 to ensure that a proper policy frame work for the Prevention of Money Laundering Act, 2002 ("**PMLA**") is put into place. The PMLA seeks to prevent money laundering and provides for confiscation of property derived from, or involved in money laundering and for other matters connected therewith or incidental thereto. It extends to all banking companies, financial institutions, including NBFCs and intermediaries. Pursuant to the provisions of PMLA and the RBI guidelines, all NBFCs are advised to appoint a

principal officer for internal reporting of suspicious transactions and cash transactions and to maintain a system of proper record (i) for all cash transactions of value of more than Rs 10 lakh; (ii) all series of cash transactions integrally connected to each other which have been valued below Rs 10 lakh where such series of transactions have taken place within one month and the aggregate value of such transaction exceeds Rs 10 lakh.

Further, all NBFCs are required to take appropriate steps to evolve a system for proper maintenance and preservation of account information in a manner that allows data to be retrieved easily and quickly whenever required or when requested by the competent authorities. Further, NBFCs are also required to maintain for at least ten years from the date of transaction between the NBFCs and the client, all necessary records of transactions, both domestic or international, which will permit reconstruction of individual transactions (including the amounts and types of currency involved if any) so as to provide, if necessary, evidence for prosecution of persons involved in criminal activity.

Additionally, NBFCs should ensure that records pertaining to the identification of their customers and their address are obtained while opening the account and during the course of business relationship, and that the same are properly preserved for at least ten years after the business relationship is ended. The identification records and transaction data is to be made available to the competent authorities upon request.

RBI Notification dated December 3, 2015 titled "Anti-Money Laundering (AML)/ Combating of Financing of Terrorism (CFT) – Standards" states that all regulated entities (including NBFCs) are to comply with the updated FATF Public Statement and document 'Improving Global AML/CFT Compliance: on-going process' as on October 23, 2015.

Master Direction dated September 29, 2016 on Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016

All NBFC-ND-SIs shall put in place a reporting system for frauds and fix staff accountability in respect of delays in reporting of fraud cases to the RBI. An NBFC-ND-SI is required to report all cases of fraud of Rs 1 lakh and above, and if the fraud is of Rs 100 lakh or above, the report should be sent in the prescribed format within three weeks from the date of detection thereof. The NBFC-ND-SI shall also report cases of fraud by unscrupulous borrowers and cases of attempted fraud.

Accounting Standards & Accounting policies

Subject to the changes in Indian Accounting Standards ("IAS") and regulatory environment applicable to a NBFC we may change our accounting policies in the future and it might not always be possible to determine the effect on the statement of profit and loss of these changes in each of the accounting years preceding the change. In such cases our profit/loss for the preceding years might not be strictly comparable with the profit/loss for the period for which such accounting policy changes are being made. The Ministry of Corporate Affairs has amended the existing IAS vide Companies (Indian Accounting Standards) (Amendment) Rules, 2017 on March 17, 2017 and the same is applicable to the Company from April 1, 2018.

Reporting by Statutory Auditor

The statutory auditor of the NBFC-ND is required to submit to the Board of Directors of the company along with the statutory audit report, a special report certifying that the Directors have passed the requisite resolution mentioned above, not accepted any public deposits during the year and has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it. In the event of non-compliance, the statutory auditors are required to directly report the same to thereby.

Master Direction – Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016

In addition to the report made by the auditor under Section 143 of the Companies Act, 2013 on the accounts of an NBFC-ND-SI, the auditor shall make a separate report to the Board of Directors of the company on, *inter alia,* examination of validity of certificate of registration obtained from the RBI, whether the NBFC is entitled to continue to hold such certificate of registration in terms of its Principal Business Criteria (financial asset / income pattern) as on March 31 of the applicable year, whether the NBFC is meeting the required net owned fund requirement, whether the board of directors has passed a resolution for non-acceptance of public deposits, whether the company has accepted any public deposits during the applicable year, whether the company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it, whether the capital adequacy ratio as disclosed in the return submitted to the Bank in form NBS- 7, has been correctly arrived at and whether such ratio is in compliance with the minimum CRAR prescribed by the Bank, whether the company has furnished to the Bank the annual statement of capital funds, risk assets/exposures and

risk asset ratio (NBS-7) within the stipulated period, and whether the non-banking financial company has been correctly classified as NBFC Micro Finance Institutions ("MFI").

Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016

All NBFCs are required to put in place a reporting system for filing various returns with the RBI. An NBFC-ND-SI is required to file on a quarterly basis a return on important financial parameters, including components of assets and liabilities, profit and loss account, exposure to sensitive sectors etc., NBS-7 on prudential norms on a quarterly basis, multiple returns on asset-liability management to address concerns regarding, *inter alia*, asset liability mismatches and interest rate risk, quarterly report on branch information, and Central Repository of Information on Large Credits ("CRILC") on a quarterly basis as well as all Special Mention Account ("SMA-2") status on a weekly basis to facilitate early recognition of financial distress, prompt steps for resolution and fair recovery for lenders.

Master Direction on Information Technology Framework for the NBFC Sector, 2017

All systemically important NBFCs must implement the security enhancement requirements under the Master Direction with respect to enhancing security of its Information Technology/Information security Framework("IT") business continuity planning, disaster recovery and management. NBFCs must constitute a IT Strategy Committee and IT Steering Committee and formulate an IT and Information security policy in furtherance of the same. Further, a Cyber Crisis Management Plan must be formulated to address cyber intrusions and attacks.

Directions on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs, 2017

With a view to put in place necessary safeguards applicable to outsourcing of activities by NBFCs, the RBI has issued directions on managing risks and code of conduct in outsourcing of financial services by NBFCs ("Risk Management Directions"). The Risk Management Directions specify that core management functions like internal auditing, compliance functions, decision making functions such as compliance with KYC norms shall not be outsourced by NBFCs. Further, the Risk Management Directions specify that outsourcing of functions shall not limit its obligations to its customers.

The Recovery of Debts due to Banks and Financial Institutions Act, 1993

The Recovery of Debts due to Banks and Financial Institutions Act, 1993 (the "**DRT Act**") provides for establishment of the Debts Recovery Tribunals (the "**DRTs**") for expeditious adjudication and recovery of debts due to banks and public financial institutions or to a consortium of banks and public financial institutions. Under the DRT Act, the procedures for recovery of debt have been simplified and time frames have been fixed for speedy disposal of cases. The DRT Act lays down the rules for establishment of DRTs, procedure for making application to the DRTs, powers of the DRTs and modes of recovery of debts determined by DRTs. These include attachment and sale of movable and immovable property of the defendant, arrest of the defendant and his detention in prison and appointment of receiver for management of the movable or immovable properties of the defendant.

The DRT Act also provides that a bank or public financial institution having a claim to recover its debt, may join an ongoing proceeding filed by some other bank or public financial institution, against its debtor, at any stage of the proceedings before the final order is passed, by making an application to the DRT.

Lending against security of gold Jewellery

The RBI pursuant to the RBI Master Directions has prescribed that all NBFCs shall maintain a loan to value ratio not exceeding 75% for loans granted against the collateral of gold jewellery. The RBI Master Directions has issued guidelines with regard to the following:

(a) Appropriate infrastructure for storage of gold ornaments: A minimum level of physical infrastructure and facilities is available in each of the branches engaged in financing against gold jewellery including a safe deposit vault and appropriate security measures for operating the vault to ensure safety of the gold and borrower convenience. Existing NBFCs should review the arrangements in place at their branches and ensure that necessary infrastructure is put in place at the earliest. No new branches should be opened without suitable storage arrangements having been made thereat. No business of grant of loans against the security of gold can be transacted at places where there are no proper facilities for storage/security.

(b) Prior approval of RBI for opening branches in excess of 1,000: It is henceforth mandatory for NBFC to obtain prior approval of the Reserve Bank to open branches exceeding 1,000. However NBFCs which already have

more than 1,000 branches may approach the Bank for prior approval for any further branch expansion. Besides, no new branches will be allowed to be opened without the facilities for storage of gold jewellery and minimum security facilities for the pledged gold jewellery.

(c) Standardization of value of gold in arriving at the loan to value ratio: For arriving at the value of gold jewellery accepted as collateral, it will have to be valued at the average of the closing price of 22 carat gold for the preceding 30 days as quoted by BBA or the historical spot gold price data publicly disseminated by a commodity exchange regulated by the Forward Markets Commission.

(d) Verification of the Ownership of gold: NBFCs should have Board approved policies in place to satisfy ownership of the gold jewellery and adequate steps be taken to ensure that the KYC guidelines stipulated by the Reserve Bank are followed and due diligence of the customer undertaken. Where the gold jewellery pledged by a borrower at any one time or cumulatively on loan outstanding is more than 20 grams, NBFCs must keep record of the verification of the ownership of the jewellery. The method of establishing ownership should be laid down as a Board approved policy.

(e) Auction Process and Procedures: The following additional stipulations are made with respect to auctioning of pledged gold jewellery: (1) The auction should be conducted in the same town or taluka in which the branch that has extended the loan is located. (2) While auctioning the gold the NBFC should declare a reserve price for the pledged ornaments. The reserve price for the pledged ornaments should not be less than 85% of the previous 30 day average closing price of 22 carat gold as declared by The Bombay Bullion Association Limited and value of the jewellery of lower purity in terms of carats should be proportionately reduced. (3) It will be mandatory on the part of the NBFCs to provide full details of the value fetched in the auction and the outstanding dues adjusted and any amount over and above the loan outstanding should be payable to the borrower. (4) NBFCs must disclose in their annual reports the details of the auctions conducted during the financial year including the number of loan accounts, outstanding amounts, value fetched and whether any of its sister concerns participated in the auction.

(f) Other Instructions: 1. NBFCs financing against the collateral of gold must insist on a copy of the PAN Card of the borrower for all transaction above Rs. 500,000. 2. High value loans of Rs. 20,000 and above must only be disbursed by cheque. 3. Documentation across all branches must be standardized. 4. NBFCs shall not issue misleading advertisements like claiming the availability of loans in a matter of 2-3 minutes.

Master Direction – Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 (as amended)

In addition to the report made by the auditor under Section 143 of the Companies Act, 2013 on the accounts of an NBFC-NDSI, the auditor shall made a separate report to the Board of Directors of the company on inter alia examination of validity of certificate of registration obtained from the RBI, whether the NBFC is entitled to continue to hold such certificate of registration in terms of its Principal Business Criteria (financial asset / income pattern) as on March 31 of the applicable year, whether the NBFC is meeting the required net owned fund requirement, whether the board of directors has passed a resolution for non-acceptance of public deposits, whether the company has accepted any public deposits during the applicable year, whether the company has complied with the Prudential Norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it, whether the capital adequacy ratio as disclosed in the return submitted to the Bank in form NBS- 7, has been correctly arrived at and whether such ratio is in compliance with the minimum CRAR prescribed by the Bank, whether the company has furnished to the Bank the annual statement of capital funds, risk assets/exposures and risk asset ratio (NBS-7) within the stipulated period, and whether the nonbanking financial company has been correctly classified as NBFC Micro Finance Institutions (MFI).

RBI Master Circular on Wilful Defaulters dated July 1, 2015

In the Master Circular on '*Willful Defaulters*' the term 'willful default' has been redefined, which would be deemed to have occurred if any of the following events occur: (a) Default in repayment obligations despite having capacity to honour the said obligations. (b) Default in repayment obligations and diversion of funds for other purposes, including non-utilization of funds for the specific purposes for which finance was availed. (c) Default in repayment obligations and siphoning off the funds and non-utilization of funds for the specific purposes for which finance was availed moreover when the funds are not available with the unit in the form of other assets. (d) Default in repayment obligations to a lender and disposal or removal of assets (movable, fixed or immovable) which have been given as security without the knowledge of the lender. Further, special emphasis has been added on siphoning-off of funds. Diversion and siphoning of funds includes the following situations: (i) utilization of short-term working capital funds

for long-term purposes in contravention of the terms of sanction; (ii) utilization of borrowed funds for creation of assets other than those for which loan was sanctioned; (iii) Transferring of funds to subsidiaries or group companies or other corporates; (iv) routing of funds through any bank other than the lender bank or consortium without prior permission of the lender; (v) investment in other companies by acquiring equities / debt instrument without the approval of lenders; (vi) shortfall in deployment of funds vis-à-vis the amounts disbursed / drawn without the difference being accounted for. After identification of Willful Defaulters, the guidelines mandatorily direct the lenders to adopt certain penal measures, which include the following: (a) No additional facilities will be granted by banks and financial institutions. (b) Promoters of companies that have been identified for siphoning of funds, misrepresentation of accounts and fraudulent transactions will be debarred from institutional finance for floating new ventures for a period of five years (c) Legal process (criminal and civil) will be initiated expeditiously. (d) Willful defaulters will not be allowed to take up board positions in any company and those who are on board will be removed expeditiously.

The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act")

The SARFAESI Act regulates the securitization and reconstruction of financial assets of banks and financial institutions. The RBI has issued guidelines to banks and financial institutions on the process to be followed for sales of financial assets to asset reconstruction companies. These guidelines provide that a bank or a financial institution or an NBFC may sell financial assets to an asset reconstruction company provided the asset is a Non Performing Asset ("NPA"). While taking recourse to the sale of secured assets in terms of Section 13(4) of the SARFAESI Act, a SC/RC may itself acquire the secured assets, either for its own use or for resale, only if the sale is conducted through a public auction.

As per the SARFAESI (Amendment) Act of 2004, the constitutional validity of which was upheld in a recent Supreme Court ruling, non-performing assets have been defined as an asset or account of a borrower, which has been classified by a bank or financial institution as sub-standard, doubtful or loss asset in accordance with directions or guidelines issued by the RBI. In case the bank or financial institution is regulated by a statutory body/authority, NPAs must be classified by such bank in accordance with guidelines issues by such regulatory authority. The RBI has issued guidelines on classification of assets as NPAs. Further, these assets are to be sold on a "without recourse" basis only.

The SARFAESI Act provides for the acquisition of financial assets by Securitization Company or Reconstruction Company from any bank or financial institution on such terms and conditions as may be agreed upon between them. A securitization company or reconstruction company having regard to the guidelines framed by the RBI may, for the purposes of asset reconstruction, provide for measures such as the proper management of the business of the borrower by change in or takeover of the management of the business of the borrower, the sale or lease of a part or whole of the business of the borrower and certain other measures such as rescheduling of payment of debts payable by the borrower; enforcement of security.

Additionally, under the provisions of the SARFAESI Act, any securitisation company or reconstruction company may act as an agent for any bank or financial institution for the purpose of recovering its dues from the borrower on payment of such fee or charges as may be mutually agreed between the parties. Various provisions of the SARFAESI Act have been amended by the Enforcement of Security Interest and Recovery of Debt Laws and Miscellaneous Provisions (Amendment) Act, 2016 as also the Insolvency and Bankruptcy Code, 2016. As per this amendment, the Adjudicating Authority under the Insolvency and Bankruptcy Code, 2016 shall by order declare moratorium for prohibiting, *inter alia*, any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the SARFAESI Act.

Insolvency and Bankruptcy Code, 2016

The Insolvency and Bankruptcy Code, 2016 ("**Bankruptcy Code**") was notified on August 5, 2016. The Bankruptcy Code offers a uniform and comprehensive insolvency legislation encompassing all companies, partnerships and individuals (other than financial firms). It allows creditors to assess the viability of a debtor as a business decision, and agree upon a plan for its revival or a speedy liquidation. The Bankruptcy Code creates a new institutional framework, consisting of a regulator, insolvency professionals, information utilities and adjudicatory mechanisms, which will facilitate a formal and time-bound insolvency resolution and liquidation process.

Companies Act, 2013

The Companies Act, 2013 ("**Companies Act**") has been notified by the Government of India on August 30, 2013 (the "**Notification**"). Under the Notification, Section 1 of the Companies Act has come into effect and the remaining provisions of the Companies Act have and shall come into force on such dates as the Central Government has notified and shall notify. Section 1 of the Companies Act deals with the commencement and application of the Companies Act and among others sets out the types of companies to which the Companies Act applies. Further the Ministry of Corporate Affairs has by their notifications dated September 12, 2013 and March 26, 2014 notified certain Sections of the Companies Act, which have come into force from September 12, 2013 and April 1, 2014.

The Companies Act provides for, among other things, changes to the regulatory framework governing the issue of capital by companies, corporate governance, audit procedures, corporate social responsibility, requirements for independent directors, director's liability, class action suits, and the inclusion of women directors on the boards of companies. The Companies Act is complemented by a set of rules that set out the procedure for compliance with the substantive provisions of the Companies Act. As mentioned above, certain provisions of the Companies Act, 2013 have already come into force and the rest shall follow in due course.

Under the Companies Act every company having net worth of Rs 5,000 million or more, or turnover of Rs 10,000 million or more or a net profit of Rs 50 million or more during the immediately preceding financial year shall formulate a corporate social responsibility policy. Further, the board of every such company shall ensure that the company spends, in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years in pursuance of its corporate social responsibility policy.

Foreign Investment Regulations

Foreign investment in Indian securities is regulated through the Consolidated Foreign Direct Investment ("**FDI**") Policy and Foreign Exchange Management Act, 1999 ("**FEMA**"). The government bodies responsible for granting foreign investment approvals are the concerned ministries/ departments of the Government of India and the RBI. The Union Cabinet has approved phasing out the Foreign Investment Promotion Board, as provided in the press release dated May 24, 2017. Accordingly, pursuant to the office memorandum dated June 5, 2017, issued by the Department of Economic Affairs, Ministry of Finance, approval of foreign investment under the FDI policy has been entrusted to concerned ministries/departments. Subsequently, the Department of Industrial Policy &Promotion ("**DIPP**") issued the Standard Operating Procedure (SOP) for Processing FDI Proposals on June 29, 2017 (the "**SOP**"). The SOP provides a list of the competent authorities for granting approval for foreign investment for sectors/activities requiring Government approval. For sectors or activities that are currently under automatic route but which required Government approval earlier as per the extant policy during the relevant period, the concerned administrative ministry/department shall act as the competent authority (the "**Competent Authority**") for the grant of post facto approval of foreign investment. In circumstances where there is a doubt as to which department shall act as the Competent Authority, the DIPP shall identify the Competent Authority. The DIPP has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendment to FEMA. In case of any conflict FEMA will prevail.

The Consolidated FDI Policy consolidates the policy framework in place as on August 27, 2017. Further, on January 4, 2018, the RBI released the Master Direction on Foreign Investment in India. Under the approval route, prior approval from RBI is required. FDI for the items/activities that cannot be brought in under the automatic route may be brought in through the approval route.

Shops and establishments regulations in various states

The provisions of various Shops and Establishments legislations, as applicable, regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of *inter alia* registration, opening and closing hours, daily and weekly working hours, holidays, leave, health, termination of services and safety measures and wages for overtime work.

Labour laws

India has stringent labour related legislations. Our Company is required to comply with certain labour laws, which include the Employees' Provident Funds and Miscellaneous Provisions Act 1952, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, Workmen Compensation Act, 1923, the Payment of Gratuity Act, 1972 and the Payment of Wages Act, 1936, amongst others.

Intellectual property regulations

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 and trademark protection under the Trade Marks Act, 1999. The above enactments provide for protection of intellectual property by imposing civil and criminal liability for infringement.

SECTION V – FINANCIAL STATEMENTS

S.No.	Particulars	Page Nos.
1	Examination report and Reformatted Summary Consolidated Financial Statement for the financial years ended March 31, 2018, 2017, 2016, 2015 and 2014.	F1 - F84
2	Examination report and Reformatted Summary Standalone Financial Statement for the financial years ended March 31, 2018, 2017, 2016, 2015 and 2014.	F85 – F196
3	Consolidated Unaudited Limited Review Information for the half year ended September 30, 2018.	F197 – F200
4	Standalone Unaudited Limited Review Information for the half year ended September 30, 2018.	F201 – F203
5	Statement of Dividend	F204
6	Statement of Accounting Ratio	F205 – F207
7	Statement of Capitalisation	F208

REPORT OF THE INDEPENDENT AUDITOR ON THE REFORMATTED SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors of

India Infoline Finance Limited

Report on the Reformatted Summary Consolidated Financial Statements

1) The accompanying Reformatted Summary Consolidated Financial Statements of **India Infoline Finance Limited** (the "Company") and its subsidiaries (the "Group"), which comprise the Reformatted Summary Consolidated Statement of Assets and Liabilities as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014, and also the Reformatted Summary Consolidated Statement of Profit and Loss and the Reformatted Summary Consolidated Cash Flow Statement for the years ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014, and a summary of the significant accounting policies and other explanatory information (together comprising the "**Reformatted Summary Consolidated Financial Statements**") are derived from the audited consolidated financial statements (the "Audited Consolidated Financial Statements") of the Group for the respective years audited by us/previous auditor as detailed in paragraph 3(a) and 3(b) below.

2) The Reformatted Summary Consolidated Financial Statements have been prepared by the Management of the Group on the basis of Note 1A to the Reformatted Summary Consolidated Financial Statements and have been approved by the Finance Committee of Board of Directors.

3) a) We expressed our opinion on the Audited Consolidated Financial Statements of the Group for the year ended March 31, 2018 vide our report dated May 2, 2018. Our report on Audited Consolidated Financial Statements of the Group for the year ended March 31, 2018 included:

> We did not audit the financial statements of three subsidiary companies of the Group, whose financial statements reflect the financial information as considered in the Audited Consolidated Financial Statements for the year then ended to the extent set out in Annexure 1. These financial statements were audited by other auditors whose reports were furnished to us, and our audit opinion on the consolidated financial statements of the Group for the year ended March 31, 2018 to the extent they relate to the figures for the year included in Annexure 1, is solely based on the reports of the other auditors.

b)The Consolidated Financial Statements of the Group for the financial years ended March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 were audited by the previous auditor, on which they have expressed their opinion vide their reports dated May-4, 2017, May 4, 2016, May 7, 2015 and May 13, 2014 respectively. In relation to the aforesaid consolidated financial statements audited by the previous auditor, we have not carried out any audit tests or review procedures, and, accordingly reliance has been placed on the financial statements audited by the previous auditor for the said years and the audit reports thereon.

4) The previous auditor has issued a report on reformatted summary consolidated financial statements dated November 2, 2018 for the years ended March 31, 2017, 2016, 2015 and 2014. Our reporting on these years, i.e. March 31, 2017, 2016, 2015 and 2014 are solely based on the report submitted by previous auditor on which we have placed reliance.

5) The Reformatted Summary Consolidated Financial Statements as at and for the years ended March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014 reported upon by previous auditor on which reliance has been placed by us, have been regrouped/ reclassified wherever necessary to correspond with the presentation/disclosure requirements of the financial year ended March 31, 2018. The figures included in the Reformatted Summary Consolidated Financial Statements, do not reflect the effect of events that occurred subsequent to the date of our report / report of the previous auditor referred to in paragraph 3(a) and 3(b) above.

6) **Management's Responsibility for the Reformatted Summary Consolidated Financial Statements**

Management is responsible for the preparation of the Reformatted Summary Consolidated Financial Statements, as mentioned in paragraph 1 above, on the basis of Note 1A to the Reformatted Summary Consolidated Financial Statements. Management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the Reformatted Summary Consolidated Financial Statements that are free from material misstatement, whether due to fraud and error. The Management and the Board of Directors are also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations that determine the reported amounts and disclosures in the Reformatted Summary Consolidated Financial Statements.

7) **Auditor's Responsibility**

Our responsibility is to express an opinion on the Reformatted Summary Consolidated Financial Statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

8) **Opinion**

In our opinion and as per the reliance placed on the report submitted by previous auditor, the Reformatted Summary Consolidated Financial Statements derived from the Audited Consolidated Financial Statements of the Group for the respective years are a fair summary of the Audited Consolidated Financial Statements of the respective years on the basis described in Note 1A to the Reformatted Summary Consolidated Financial Statements.

9) **Other matters**

a. This report should not in any way be construed as a re-audit and consequently, re-issuance or re-dating of any of the previous audit reports issued by us and/or other firms of Chartered Accountants on the Reformatted Summary Consolidated Financial Statements.

b. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10) **Restrictions on Use**

This report is addressed to and is provided to enable the Company to include this report in the Draft Shelf Prospectus and/or Shelf Prospectus (collectively the "Offer Documents") in connection with the public issue by the Company of Secured Redeemable Non-Convertible Debentures and Unsecured Redeemable Non-Convertible Debentures, to be filed by the Company with BSE Limited, National Stock Exchange of India Limited, and the Securities and Exchange Board of India. The Reformatted Summary Consolidated Financial Statements may, therefore, not be suitable for another purpose or distributed to any other person, without our prior written consent.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Pallavi A. Gorakshakar
Partner
(Membership Number: 105035)

MUMBAI, 13 November, 2018

Annexure 1 to the report on the Reformatted Summary Consolidated Financial Statements (referred to in paragraph 3 (a) of the report)

Financial information of the subsidiaries audited by other auditors, as considered in the Audited Consolidated Financial Statements of the Group:

(Rs. In Million)

Audited by other auditors	**Amount**
Total Assets	7,416.09
Total Revenue	968.30
Total Net Cash outflow	101.86

REFORMATTED SUMMARY CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(₹ In Millions)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
I EQUITY AND LIABILITIES						
(1) Shareholders' funds						
(a) Share Capital	5	2,807.42	3,555.00	5,621.54	5,621.54	2,371.54
(b) Reserves and surplus	6	36,478.37	31,893.52	19,018.67	16,815.30	14,636.32
Sub-Total		**39,285.79**	**35,448.52**	**24,640.21**	**22,436.84**	**17,007.86**
(2) Minority Interest	7	37.05	37.27	-	1,179.43	-
(3) Non Current Liabilities						
(a) Long-term borrowings	8	103,601.67	107,012.73	86,306.68	91,792.88	58,064.40
(b) Other long-term liabilities	9	953.83	1,965.65	941.95	890.88	491.80
(c) Long-term provisions	10	1,418.49	1,039.87	750.98	749.34	466.18
Sub-Total		**105,973.99**	**110,018.25**	**87,999.61**	**93,433.10**	**59,022.38**
(4) Current Liabilities						
(a) Short-term borrowings	11	98,283.10	54,003.27	33,547.36	34,006.64	26,885.11
(b) Trade payables						
- Total outstanding dues of micro enterprises and small enterprises;	12	-	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	12	832.42	623.14	557.16	603.82	427.18
(c) Other current liabilities						
-Current maturities of long term borrowings	8	47,174.00	20,025.17	33,272.96	14,033.83	16,758.19
-Others	13	18,643.94	14,145.10	12,193.18	5,173.94	5,268.31
(d) Short-term provisions	10	820.11	925.30	662.68	583.40	152.02
Sub-Total		**165,753.57**	**89,721.98**	**80,233.34**	**54,401.63**	**49,490.81**
TOTAL		**311,050.40**	**235,226.02**	**192,873.16**	**171,451.00**	**125,521.05**
II ASSETS						
(1) Non-current assets						
(a) Fixed assets						
(i) Tangible assets	14	697.92	556.56	592.52	729.48	959.03
(ii) Intangible assets	15	16.67	6.07	2.22	0.12	0.22
(iii) Capital work-in-progress		45.26	15.57	8.85	6.56	2.57
Sub-Total		**759.85**	**578.20**	**603.59**	**736.16**	**961.82**
(b) Goodwill (on Consolidation)		158.70	158.70	51.52	1.75	1.75
(c) Non-current investments	16	13,719.98	10,686.54	4,256.96	5,088.35	3,170.38
(d) Deferred tax assets (net)	17	1,392.30	1,142.05	966.41	828.88	513.69
(e) Long-term loans & advances						
-Loans	18	171,179.05	123,771.88	90,071.01	50,555.65	38,968.90
-Others	18	2,025.45	1,592.23	1,224.71	837.66	191.65
(f) Other non-current assets	19	1,600.94	537.30	493.40	334.01	255.33
Sub-Total		**190,076.42**	**137,888.70**	**97,064.01**	**57,646.30**	**43,101.70**
(2) Current assets						
(a) Current investments	20	8,866.46	10,351.50	3,202.37	7,144.82	5,474.62
(b) Inventories	21	-	-	-	-	70.48
(b) Trade receivables	22	341.18	1,730.37	1,073.61	427.79	731.72
(c) Cash and cash equivalents	23	13,546.31	19,897.29	6,036.80	10,662.19	8,104.27
(d) Short-term loans & advances						
-Loans	18	87,855.88	59,139.85	79,475.11	87,145.94	62,321.93
-Others	18	5,016.61	2,691.03	3,505.43	5,303.99	3,554.74
(e) Other current assets	19	4,587.69	2,949.08	1,912.24	2,383.81	1,199.77
Sub-Total		**120,214.13**	**96,759.12**	**95,205.56**	**113,068.54**	**81,457.53**
TOTAL		**311,050.40**	**235,226.02**	**192,873.16**	**171,451.00**	**125,521.05**
See accompanying notes forming part of the reformatted summary consolidated financial statements	1 – 48					

In terms of our report attached.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

For and on behalf of the Board of Directors
of India Infoline Finance Limited

Pallavi A. Gorakshakar
Partner

Place: Mumbai
Dated: November 13, 2018

R. Venkataraman
Whole-time Director
DIN : 00011919

Sumit Bali
Executive Director and CEO
DIN : 02896088

Prabodh Agrawal
Chief Financial Officer

REFORMATTED SUMMARY CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ In Millions)

Particulars	Notes	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
1. REVENUE						
a. Revenue from operations	24	38,154.66	31,421.24	27,087.86	23,661.98	18,377.69
b. Other Income	25	414.97	258.83	227.86	136.09	426.08
Total Revenue (a + b)		**38,569.63**	**31,680.07**	**27,315.72**	**23,798.07**	**18,803.77**
2. EXPENSES						
a. Employee benefit expenses	26	4,611.78	3,302.79	2,682.26	2,154.87	1,667.24
b. Finance cost	27	19,636.93	17,894.20	16,064.13	13,762.98	11,126.88
c. Depreciation & amortisation expenses	28	168.87	156.78	269.55	312.37	387.15
d. Other expenses	29	2,630.77	2,075.40	2,003.92	2,007.92	2,071.02
e. Provisions & write off	30	3,129.01	1,759.02	1,087.14	1,045.41	439.56
Total Expenses		**30,177.36**	**25,188.19**	**22,107.00**	**19,283.55**	**15,691.85**
3. Profit before tax (1 - 2)		**8,392.27**	**6,491.88**	**5,208.72**	**4,514.52**	**3,111.92**
4. Tax expenses						
Current Tax		3,096.97	2,420.07	1,966.20	1,806.10	1,207.19
Deferred tax	17	(250.24)	(186.34)	(142.55)	(324.98)	(199.31)
Current tax expense relating to prior years		2.75	25.78	(1.93)	21.13	-
Total tax expenses		**2,849.48**	**2,259.51**	**1,821.72**	**1,502.25**	**1,007.88**
5. Profit for the year (3 - 4)		**5,542.79**	**4,232.37**	**3,387.00**	**3,012.27**	**2,104.04**
6. Share of Minority Interest		(0.22)	0.41	-	-	-
7. Net Consolidated Profit for the year (5 - 6)		**5,543.01**	**4,231.96**	**3,387.00**	**3,012.27**	**2,104.04**
8. Earnings Per Share (Face Value of ₹ 10 each)	31					
- Basic (In Rupees)		23.10	17.29	12.63	12.15	8.68
- Diluted (In Rupees)		19.54	15.79	12.63	12.15	8.68
See accompanying notes forming part of the reformatted summary consolidated financial statements	1 – 48					

In terms of our report attached.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

For and on behalf of the Board of Directors
of India Infoline Finance Limited

Pallavi A. Gorakshakar
Partner

Place: Mumbai
Dated: November 13, 2018

R. Venkataraman
Whole-time Director
DIN : 00011919

Sumit Bali
Executive Director and CEO
DIN : 02896088

Prabodh Agrawal
Chief Financial Officer

REFORMATTED SUMMARY CONSOLIDATED CASH FLOW STATEMENT

(₹ In Millions)

Particulars	2017-2018		2016-2017		2015-2016		2014-2015		2013-2014	
CASH FLOWS FROM OPERATING ACTIVITIES										
Profit before tax		8,392.27		6,491.88		5,208.72		4,514.52		3,111.92
Adjustments for:										
Depreciation and amortisation expenses	168.87		156.78		269.55		312.37		387.15	
Provision for doubtful loans	116.33		802.91		521.11		493.10		275.86	
Provision against standard assets	358.40		141.06		150.48		240.20		76.50	
Provision for diminution in value of investments	366.30		(25.09)		-		14.40		11.75	
Provision for contingencies	(15.41)		144.63		1.73		209.56		43.42	
Interest on Fixed deposits with Banks	(670.57)		(512.59)		(211.04)		(170.45)		(86.72)	
Interest expense	19,216.11		17,577.73		15,794.33		13,524.39		10,846.35	
Income from financing activities	(34,198.77)		(28,547.52)		(24,932.81)		(22,508.40)		(17,461.66)	
(Profit) / Loss on Sale of Fixed Assets [net]	(0.75)		8.99		6.97		2.41		18.93	
Profit on Sale of Investments [net]	(1,086.58)		(1,182.29)		(775.03)		(289.66)		(255.67)	
Loss on Buy back of Commercial Paper [net]	5.65		1.83		9.10		2.10		-	
(Profit) / Loss on Buy back of Debentures [net]	9.45		(57.35)		(6.86)		0.65		(13.64)	
Premium paid on early redemption of Debentures	101.84		-		-		-		-	
Exchange fluctuation on Foreign Currency Term Loan	2.99		-		-		-		-	
Interest received on Fixed deposits with Banks	652.99		455.65		204.25		161.79		85.64	
Interest paid	(20,386.96)		(16,724.87)		(15,989.04)		(11,434.16)		(9,863.67)	
Income received from financing activities	32,637.40		28,315.31		24,932.81		22,508.40		17,461.66	
Gratuity & Leave enchasment	82.86	(2,639.85)	45.44	600.62	39.68	15.23	18.33	3,085.03	26.97	1,552.87
Operating profit before working capital changes		**5,752.42**		**7,092.50**		**5,223.95**		**7,599.55**		**4,664.79**
Decrease / (Increase) in Current and Non-Current Assets	138.97		(838.63)		(103.62)		510.30		(439.89)	
Increase in Current and Non-Current Liabilities	4,067.11	4,206.08	2,268.66	1,430.03	7,063.18	6,959.56	(1,857.21)	(1,346.91)	2,625.01	2,185.12
Cash generated from operations		**9,958.50**		**8,522.53**		**12,183.51**		**6,252.64**		**6,849.91**
Taxes paid		(3,243.94)		(2,410.45)		(2,483.97)		(2,024.94)		(1,049.26)
Net cash from operating activities		**6,714.56**		**6,112.08**		**9,699.54**		**4,227.70**		**5,800.65**
Loans disbursed [net]		(77,756.36)		(14,192.34)		(30,575.83)		(38,917.54)		(14,933.01)
Net cash used in operating activities (A)		**(71,041.80)**		**(8,080.26)**		**(20,876.29)**		**(34,689.84)**		**(9,132.36)**
CASH FLOWS FROM INVESTING ACTIVITIES										
Purchase of Fixed assets		(362.21)		(144.17)		(206.80)		(95.71)		(406.52)
Sale of Fixed assets		12.44		3.77		13.09		6.60		22.26
Goodwill on purchase of subsidiary		-		(107.18)		-		-		-

REFORMATTED SUMMARY CONSOLIDATED FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Purchase of Investments	(25,02,553.15)	(15,75,865.81)	(11,57,699.85)	(7,91,082.38)	(6,75,751.34)
Proceeds from sale/maturity of Investments	25,01,725.02	15,63,494.49	11,63,248.72	7,87,770.45	6,75,613.58
Fixed deposits placed	(9,748.10)	(11,071.59)	(1,213.44)	(1,334.91)	(3,598.94)
Fixed deposits matured	9,270.00	3,536.53	1,485.81	255.20	4,737.53
Net cash (used in)/from investing activities (B)	**(1,656.00)**	**(20,153.96)**	**5,627.53**	**(4,480.75)**	**616.57**
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of Preference Shares	-	10,050.12	-	3,250.00	-
Share Issue Expenses	-	(10.05)	(1.00)	-	-
Redemption of Preference Share Capital	(750.00)	(2,500.00)	-	-	-
Proceeds from Issue of Equity Share Capital	21.50	0.93	-	-	-
Increase / (decrease) in Minority interest	-	36.86	(1,179.44)	1,179.44	-
Dividend paid (including dividend distribution tax)	(1,049.48)	(1,057.02)	(1,048.62)	(779.98)	(733.15)
Proceeds towards Long-term borrowings	69,770.23	66,305.29	36,859.31	53,244.99	24,806.48
Repayment of Long-term borrowings	(46,143.75)	(58,789.67)	(23,099.52)	(22,242.54)	(7,738.86)
Proceeds towards Short-term borrowings	30,52,624.30	34,27,586.38	2,00,162.60	2,53,362.58	1,21,880.00
Repayment of Short-term borrowings	(30,07,528.29)	(34,07,208.84)	(2,00,632.55)	(2,46,170.89)	(1,29,239.17)
Net cash from financing activities (C)	**66,944.51**	**34,414.00**	**11,060.78**	**41,843.60**	**8,975.30**
Net (Decrease)/ Increase in cash and cash equivalents (A + B + C)	**(5,753.29)**	**6,179.78**	**(4,187.98)**	**2,673.01**	**459.51**
Add : Opening Cash and cash equivalents as at the beginning of the year	**10,295.78**	**4,116.00**	**8,303.98**	**5,630.97**	**5,171.46**
Cash and cash equivalents as at the end of the year	**4,542.49**	**10,295.78**	**4,116.00**	**8,303.98**	**5,630.97**
Add : Earmaked balances with banks	**238.02**	**242.72**	**35.06**	**9.30**	**985.57**
Add : Fixed deposits considered in Investing activities	**8,765.80**	**9,358.79**	**1,885.74**	**2,348.91**	**1,487.73**
Cash and cash equivalents as at the end of the year	**13,546.31**	**19,897.29**	**6,036.80**	**10,662.19**	**8,104.27**
See accompanying notes forming part of the reformatted consolidated financial statements (1-48)					

In terms of our report attached.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

For and on behalf of the Board of Directors
of India Infoline Finance Limited

Pallavi A. Gorakshakar
Partner

Place: Mumbai
Dated: November 13, 2018

R. Venkataraman
Whole-time Director
DIN : 00011919

Sumit Bali
Executive Director and CEO
DIN : 02896088

Prabodh Agrawal
Chief Financial Officer

1A. The Company has prepared the Reformatted Summary Consolidated Statement of Assets and Liabilities as at March 31, 2018, 2017, 2016, 2015, 2014 and Reformatted Summary Consolidated Statements of Profit and Loss and the Reformatted Summary Consolidated Cash Flow Statements for the years ended March 31, 2018, 2017, 2016, 2015, 2014 and the significant accounting policies and other explanatory information (together comprising the "Reformatted Summary Consolidated Financial Statements"). Accordingly these Reformatted Summary Consolidated Financial Statements will be included in the draft prospectus proposed to be filed by the Company with the National Stock Exchange of India Limited, BSE Limited, Securities and Exchange Board of India (the "SEBI") and the Registrar of Companies – Mumbai (the "Draft Prospectus") and the prospectus proposed to be filed with the National Stock Exchange of India Limited, BSE Limited, SEBI and the Registrar of Companies - Mumbai, (the "Prospectus") in connection with the proposed public issue by the Company of Secured Redeemable Non-Convertible Debentures and Unsecured Redeemable Non-Convertible Debentures.

The Reformatted Summary Consolidated Financial Statement are based on and have been extracted by the Management of the Company from the Audited Consolidated Financial Statements of the Company for the years ended March 31, 2018, 2017, 2016, 2015 and 2014. The Reformatted Summary Consolidated Financial Statements as at and for the years ended March 31, 2017, 2016, 2015, 2014 has been regrouped / reclassified wherever necessary to correspond with the presentation / disclosure in line Audited Consolidated Financial Statements for the year ended March 31, 2018 to comply with requirements of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended to date (the "SEBI (ILDS) Regulations") issued by the Securities and Exchange Board of India (the "SEBI").

These Reformatted Summary Consolidated Financial Statements, do not reflect the effects of events that occurred subsequent to the dates of approval of the audited consolidated financial statements of the respective years by the Board of Directors of the Company and also do not reflect the effects of change in accounting policies from one year to another, if any.

Financial Year 2017-18

1. Corporate information:

The Consolidated financial statement relates to "India Infoline Finance Limited" (the "Company") and its subsidiaries "India Infoline Housing Finance Limited" (IIHFL), "Samasta Microfinance Limited" (Samasta), "Clara Developers Private Limited" (Clara) and step down subsidiary "Ayusha Dairy Private Limited" (Ayusha) together referred to as the "Group". The Company is a systemically important Non-Banking Financial Company not accepting public deposits ("NBFC-ND-SI") registered with the Reserve Bank of India ("RBI") under section 45-IA of the Reserve Bank of India Act, 1934 and primarily engaged in financing and related activities. The Company has received the certificate of registration from RBI on May 12, 2005, enabling the Company to carry on business as Non-Banking Financial Company. The Group offers broad suite of financial products such as mortgage loan, gold loan, loan against securities, commercial vehicle loan, loans to small & medium enterprise (SME) and health care finance to retail and corporate clients.

2. Basis of consolidation:

I. **Basis of preparation of financial statements:**

The individual Balance Sheet as at March 31, 2018 and Statement of Profit and Loss for the year ended March 31, 2018 of India Infoline Finance Limited ("the Company") and its subsidiaries ("companies and / or subsidiaries"), collectively referred to as 'Group', have been consolidated as per principles of consolidation enunciated in Accounting Standard (AS) 21- "Consolidated Financial Statements".

II. **Principles of consolidation:**

a) The financial statements of the Group companies of India Infoline Finance Limited have been prepared with the Accounting Standards as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards"), and other accounting principles generally accepted in India. The financial statements have been prepared on accrual basis under the historical cost convention. The effects of all inter-Group transactions and balances have been eliminated on consolidation. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year by the Group.

b) The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the Company i.e. March 31, 2018.

c)The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealized profits or losses, unless cost cannot be recovered.

d) The excess of cost to the Company of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies are made, is recognized as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investment of the Company, it is recognized as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements. Goodwill/Capital reserve has been netted off and disclosed in the consolidated financial statements. Goodwill arising on consolidation is not amortized but tested for impairment.

e) Minority Interest in the net assets of the consolidated subsidiaries consist 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.

III. **List of subsidiaries consolidated:**

The individual Balance Sheet as at March 31, 2018, Statement of Profit and Loss and cash flow statement for the year ended March 31, 2018 of following subsidiaries are included in consolidation:

Name of the entity	Relationship	Ownership held by	% of holding and voting power either directly or indirectly through subsidiary as at
			As at March 31, 2018
India Infoline Housing Finance Limited (IIHFL)	Direct Subsidiary	India Infoline Finance Limited	100%
Samasta Microfinance Limited (Samasta)	Direct Subsidiary	India Infoline Finance Limited	97.37%
Clara Developers Private Limited (Clara)	Direct Subsidiary	India Infoline Finance Limited	100%
Ayusha Dairy Private Limited (Ayusha)	Step down Subsidiary	Samasta Microfinance Limited	97.37%

During the year the Company has acquired Clara Developers Private Limited, consequently the networth as on March 31, 2018 has increased by ₹ 0.13 mn and Profit after tax reduced by ₹ 0.02 mn.

The percentage of holding in Samasta Microfinance Limited during the year increased from 95.23% to 97.37%, consequently as on March 31, 2018, the networth increased by 2.14% amounting to ₹ 25.06 mn and profit after tax increased by ₹ 0.51 m*n.

3. Use of estimates:

The preparation of financial statements, in conformity with IGAAP requires the management to make estimates and assumptions that affect in the reported amount of assets, liabilities (including contingent liabilities), income and expenses reported in the financial statements. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates and the differences between the actual results and the estimates are recognized in the period in which the results are known /materialise.

4. Significant accounting policies:

i. Cash and cash equivalents (for purposes of Cash Flow Statement)

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.

ii. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and 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.

iii. Fixed assets, depreciation and amortisation

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any thereon. Depreciation is charged using the straight line method, based on the useful life of fixed assets as estimated by the management, as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold. In case of transfer of used fixed assets from Group companies, depreciation is charged over the remaining useful life of the asset.
Individual assets / Group of similar assets costing up to ₹ 5,000 has been depreciated in full in the year of purchase. Leasehold land is depreciated on a straight line basis over the leasehold period.

Estimated useful life of assets is as under

Class of assets	Useful life
Buildings*	20 years
Computers*	3 years
Office equipment	5 years
Electrical*	5 years
Furniture and fixtures*	5 years/10 years
Vehicles*	5 years/ 8 years
Software	3 years
Servers and networks	6 years

* For this class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Capital work-in-progress
Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

iv. Assignment of loan portfolio

De-recognition of loans assigned, in the books of the Group, is based on the concept of surrender of control over the loans resulting in a "true sale" of loans. Future interest spread receivables in case of a par structure deals are recognised over the tenure of agreements as per regulatory guidelines/directions. Expenditure in respect of direct assignment is recognised upfront. Credit enhancement in the form of cash collateral provided by the Group is included under cash and bank balance / other assets, as applicable.

v. Revenue recognition

Interest income
Interest income is recognised on accrual basis in the Statement of Profit and Loss, except in the case of non-performing assets (NPAs), where it is recognised in accordance with the Reserve Bank of India ("RBI")/National Housing Bank ("NHB") guidelines upon realisation. Interest income on investments is accounted on accrual basis. Dividend on equity shares, preference shares and on mutual fund units is recognised as income when the right to receive the dividend is established.

Fees and charges
Fees and charges are recognised as and when they become due and revenue can be reliably measured and reasonable right of recovery is established.

Profit and loss on sale of investments
Profit / loss on sale of investment are recognised on trade date basis. Profit / loss on sale of investments are determined after consideration of cost on weighted average basis.

Securitisation transactions
In accordance with the regulatory guidelines, gain arising on securitisation is amortised over the life of the securities issued by the Special Purpose Vehicle ("SPV"). Loss, if any, is recognised upfront in the Statement of Profit and Loss.

Assignment transactions
In accordance with the regulatory guidelines, gain arising on assignment is amortised over the residual life of the loan. Loss, if any, is recognised upfront in the Statement of Profit and Loss.

vi. Investments

Investments intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are stated at lower of cost and market/ fair value. Long-term investments (excluding investment properties) are carried at cost. Provision for diminution, other than temporary, is made to recognise a decline in the value of the investments.

An investment in buildings, which is not intended to be occupied substantially for use by, or in the operations of, the Company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

vii. Foreign currency transactions and translations

Initial recognition
Transactions in foreign currencies entered into by the Group are 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.

Measurement at the balance sheet
Foreign currency monetary items (other than derivative contracts) of the Group, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Group are carried at historical cost.

viii. Employee benefits

Defined contribution plans
The Group's contribution towards Provident Fund and Family Pension Fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees and are accounted for on an accrual basis and recognised in the Statement of Profit and Loss.

Defined benefit plans
For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets.

Short-term employee benefits
The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The company has provided for compensated absences on the basis of actuarial valuation.

Long-term employee benefits
Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

ix. Operating leases

Lease rentals in respect of operating lease arrangements are charged to the Statement of Profit and Loss in accordance with Accounting Standard 19 on 'Leases'.

x. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

xi. Taxes on income

Current tax is the amount of tax payable on the 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 is 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 Group has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

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

In case of Subsidiary IIHFL, as per NHB circular dated August 22, 2014 NHB(ND)/DRS/Policy Circular 65/2014-15, deferred tax liability is recognised on the special reserves created and maintained under Section 36(1)(viii) of Income Tax Act, 1961. In case of other timing differences, deferred tax liability will be recognised, as and when it arises.

xii. Provisions and write-offs on loans and other credit facilities

Non-performing loans are written off / provided for, as per management estimates, subject to the minimum provision required by the RBI/NHB Directions. Delinquencies on assets securitised / assigned are provided for based on management estimates. Provision on standard assets is as per the RBI/NHB Directions.

xiii. Provisions, contingent liabilities and contingent assets

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are neither recognised nor disclosed in the financial statements.

xiv. Borrowings

Borrowings are bifurcated under long term and short term liabilities. Commercial papers are recognised at face value at the time of its issue. Any difference between the proceeds and the redemption value is recognised in the Statement of Profit and Loss, over the period of borrowing.

xv. Impairment of assets

The carrying amount of the assets at each Balance Sheet date is reviewed for impairment. If any indication of impairment based on internal / external factors exists, the recoverable amount of such assets is estimated and impairment is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the

greater of the net selling price and its value in use, which is arrived at by discounting the future cash flows to their present value, based on an appropriate discounting factor. If at the Balance Sheet date, there is an indication that previously recognised impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount, subject to a maximum of the depreciable historical cost and reversal of such impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

xvi. Debenture issue expenses

Debenture issue expenses including ancillary and other acquisition costs incurred on Non Convertible Debentures are amortized over tenure of the underlying debenture.

xvii. Deferred employee stock compensation

The stock options granted by the Company are accounted for in accordance with the Guidance Note on Accounting for Employee Share-based Payments, issued by The Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense, if any, is amortised over the vesting period of the option on a straight line basis.

xviii. Derivative transactions

Mark to Market (MTM) valuation of the embedded derivative portion of borrowings by way of Market Linked Bonds and outstanding position in Market linked derivatives are recorded in accordance with principles enunciated in Accounting Standard 30 'Financial Instruments: Recognition and Measurement' and Guidance Note on Accounting for Derivative Contracts issued by the Institute of Chartered Accountants of India. MTM valuation is determined based on quotes available from exchange / counter party/ rating agency.

The Group enters into derivative contracts in the nature of foreign currency swaps with an intention to hedge its existing liabilities in foreign currency. Derivative contracts are marked-to-market and gains / losses are recognised in the Statement of Profit and Loss in accordance with Guidance Note on Accounting for Derivative Contracts issued by the Institute of Chartered Accountants of India.

xix. Segment Reporting

The Group's primary business segments are reflected based on the principal business carried out, i.e. financing. All other activities of the Group revolve around the main business. The risk and returns of the business of the Group is not associated with geographical segmentation, hence there is no secondary segment reporting based on geographical segment. As such, there are no separate reportable segments as per the Accounting Standard 17 on 'Segment Reporting'.

xx. Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

Financial Year 2016-17

1. Corporate Information

The Consolidated financial statement relates to "India Infoline Finance Limited" (the "Company") and its subsidiaries "India Infoline Housing Finance Limited" (IIHFL), "Samasta Microfinance Limited" (Samasta), "Clara Developers Private Limited" (Clara) and step down subsidiary "Ayusha Dairy Private Limited" (Ayusha) together referred to as the "Group". The Company is a systemically important Non-Banking Financial Company not accepting public deposits ("NBFC-ND-SI") registered with the Reserve Bank of India ("RBI") under section 45-IA of the Reserve Bank of India Act, 1934 and primarily engaged in financing and related activities. The Company has received the certificate of registration from RBI on May 12, 2005, enabling the Company to carry on business as Non-Banking Financial Company. The Group offers broad suite of financial products such as mortgage loan, gold loan, loan against securities, commercial vehicle loan, loans to small & medium enterprise (SME) and health care finance to retail and corporate clients.

2. Basis of consolidation:

I. **Basis of preparation of financial statements:**

The Consolidated Financial Statements are prepared in accordance with the Accounting Standard (AS) 21 on Consolidated Financial Statement notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014(as amended) and the relevant provisions of the Companies Act 2013. The Consolidated Financial Statements comprises of India Infoline Finance Limited and its subsidiaries.

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all material aspects of the applicable Accounting Standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the relevant provisions of the Companies Act 2013 along with the guidelines issued by the Reserve bank of India (RBI) as applicable to NBFC's as well as norms prescribed by National Housing Bank (NHB). The financial statements have been prepared on accrual basis under the historical cost convention.

II. **Principles of consolidation:**

The financial statements of the group companies of India Infoline Finance Limited have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all material aspects of the applicable Accounting Standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 issued by the Ministry of Corporate Affairs. The financial statements have been prepared on accrual basis under the historical cost convention. The effects of all inter-group transactions and balances have been eliminated on consolidation.

III. **List of subsidiaries consolidated:**

The individual Balance Sheet as at March 31, 2017, statement of profit and loss and cash flow statement for the year ended March 31, 2017 of following subsidiaries are included in consolidation:

India Infoline Housing Finance Limited (IIHFL)

Samasta Microfinance Limited (Samasta)

Ayusha Dairy Private Limited (Ayusha)

3. Use of estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known /materialised.

4. Significant Accounting Policies:

i. Fixed Asset, Depreciation and Amortization :

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any thereon. Depreciation is charged using the straight line method based on the useful life of fixed assets as estimated by the management as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold. In case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the asset.

Individual assets/group of similar assets costing up to ₹ 5,000 has been depreciated in full in the year of purchase. Leasehold land is depreciated on a straight line basis over the leasehold period.

Estimated useful life of the assets are as under:

Class of assets	Useful life
Buildings*	20 years
Computers*	3 years
Office equipment	5 years
Electrical*	5 years
Furniture and fixtures*	5 years

Class of assets	Useful life
Vehicles*	5 years
Software	3 years

*For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuer's the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

ii. Assignment of loan portfolio:

Derecognition of loans assigned, in the books of the Company, is based on the concept of surrender of control over the loans resulting in a "true sale" of loans. Future interest spread receivables in case of a par structure deals are recognised over the tenure of agreements as per guidelines issued by the RBI. Expenditure in respect of direct assignment is recognised upfront. Credit enhancement in the form of cash collateral provided by the Company is included under Cash and bank balance / Loans and advances, as applicable.

iii. Revenue recognition:

The Company complies, in all material respects, with the Accounting Standard -9 issued by the Institute of Chartered Accountants of India, Prudential Norms relating to income recognition, asset classification and the minimum provisioning for bad and doubtful debts and standard assets, specified in the directions issued by the RBI & NHB, as applicable to it, and

- Interest Income is recognised on the time proportionate basis as per agreed terms;
- Interest Income is recognised and remaining due for more than 120 days for all the loans are reversed and are accounted as income when these are actually realised. In the books of subsidiaries, interest income is reversed if it is due for 90 days or more.
- Dividend income is recognised when the right to receive payment is established;
- Processing fees received from customers is recognised as income on receipt basis;
- In respect of the other heads of income, the Company accounts the same on accrual basis.

iv. Preliminary expenses:

Preliminary expenses are written off in the financial year in which they are incurred.

v. Employee benefits:

The company's contribution towards provident fund and family pension fund, which are defined contribution, are accounted for on an accrual basis and recognised in the statement of profit & loss. The Company has provided "Compensated Absences" on the basis of actuarial valuation.

Gratuity is post employment benefit and is in the nature of defined benefit plan. The liability recognized in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the balance sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method.

vi. Provisions, Contingent liabilities and Contingent assets:

A provision is recognised if, as a result of past event, the company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Non-performing loans are written off / provided for, as per management estimates, subject to the minimum provision required as per Non-Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 ("RBI Directions, 2016) dated September 01, 2016. Provision on standard assets is made as per notification no. DNBR.009/CGM(CDS)-2015 dated March 27, 2015 issued by RBI.

For the subsidiary IIHFL non-performing loans are written off / provided for, as per management estimates subject to the minimum provision required as per National Housing Bank (NHB) Directions. Provision on standard assets is made as per notification No. NHB. HFC. DIR. 9/ CMD/ 2013 dated September 6, 2013 issued by NHB.

For the subsidiary Samasta non-performing loans are written off / provided for, as per management estimates, subject to the minimum provision required as per DNBS(PD)CC.No. 347/30.10.038/2013-14 dated July 01, 2013.Accordingly the Company is making a provision of 1% of the total loan portfolio or as required to be provided for its Non-performing loans, whichever is higher.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.
Contingent Assets are neither recognized nor disclosed in the financial statements.

vii. Taxes on income:

Tax expense comprises of current and deferred tax and includes any adjustments related to the past periods in current and/or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.Provision for current tax is computed based on estimated tax liability computed after adjusting for allowance, disallowance and exemptions in accordance with the applicable tax laws.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences of earlier year. Deferred tax is measured using the tax rate and the tax laws enacted or substantively enacted at the Balance Sheet date. The deferred tax assets are recognised only to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

viii. Operating leases:

Lease rentals in respect of operating lease arrangements are charged to the statement of profit & loss in accordance with Accounting Standard 19 – Leases, issued by the Institute of Chartered Accountants of India.

ix. Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other Investments are classified as non – current investments.

Current investments are stated at lower of cost or market / fair value. Non – current investments are carried at cost. Provision for diminution in value of non – current investments is made, if in the opinion of the management, such diminution is other than temporary. For investment in mutual funds, the net assets value (NAV) declared by the mutual funds at the Balance Sheet date is considered as the fair value.

x. Inventories:

Closing stock is valued at cost or market value, whichever is lower. Cost is computed on FIFO basis.

xi. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xii. Borrowings:

Borrowings are bifurcated under long term and short term liabilities. Commercial papers are recognised at Face value at the time of its issue. Any difference between the proceeds and the redemption value is recognised in profit & loss account over the period of the borrowings.

xiii. Debenture Issue Expenses:

Debenture issue expenses including ancillary and other acquisition costs incurred on Non Convertible Debentures are amortized over tenure of the underlying debenture.

xiv. Deferred Employee Stock Compensation:

The stock options granted by the Company are accounted for as per the accounting treatment prescribed by SEBI (Employee Stock Option Scheme and Employee Stock Purchase) Guideline, 1999 and the guidance note on Accounting for Stock Options issued by The Institute of Chartered Accountant of India, whereby the intrinsic value of the options are recognised as deferred employee compensation. The deferred employee compensation, if any, is charged to the Statement of Profit and Loss on a straight line basis over vesting period of the options.

xv. Derivative Transactions:

Initial and additional margin paid over and above initial margin for entering into contracts for Equity Index/Stock Futures/Currency Futures/Interest Rate Futures and/or Equity Index/Stock Options/ Currency Options as the case may be ("Derivatives Portfolio") which are released on final settlement/squaring-up of underlying contracts are disclosed under the head "Other Current Assets".

"Equity Index/Stock Option/Currency Option Premium Account" represents premium paid or received for buying or selling the Options, respectively.

On final settlement or squaring up of contracts for Derivatives Portfolio, the realized profit or loss after adjusting the unrealized loss already accounted, if any, is recognized in the Statement of Profit and Loss. On settlement or squaring up of Derivatives Portfolio before expiry, the premium, prevailing in "Equity Index/Stock Option/Currency Option Premium Account" on that date is recognized in the Statement of Profit and Loss.

As at the Balance Sheet date, the Mark to Market/Unrealised Profit/(Loss) on all outstanding Derivative portfolio comprising of Securities and Equity/Currency Derivatives positions is determined on scrip basis with net unrealized losses on scrip basis being recognized in the Statement of Profit and Loss and the net unrealized gains on scrip basis are ignored.

Financial Year 2015-16

1. Basis of consolidation:

I. **Basis of preparation of financial statements:**

The Consolidated Financial Statements are prepared in accordance with the Accounting Standard (AS) 21 on Consolidated Financial Statement notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014(as amended) and the relevant provisions of the Companies Act 2013. The Consolidated Financial Statements comprises of India Infoline Finance Limited and its subsidiaries.

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all material aspects of the applicable Accounting Standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the relevant provisions of the Companies Act 2013 along with the guidelines issued by the Reserve bank of India (RBI) as applicable to NBFC's as well as norms prescribed by National Housing Bank (NHB). The financial statements have been prepared on accrual basis under the historical cost convention.

II. **Principles of consolidation:**

The financial statements of the group companies of India Infoline Finance Limited have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all material aspects of the applicable Accounting Standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 issued by the Ministry of Corporate Affairs. The financial statements have been prepared on accrual basis under the historical cost convention. The effects of all inter-group transactions and balances have been eliminated on consolidation.

III. **List of subsidiaries consolidated:**

The individual Balance Sheet as at March 31, 2016, statement of profit and loss and cash flow statement for the year ended March 31, 2016 of following subsidiary is included in consolidation:

India Infoline Housing Finance Limited (IIHFL)

2. Use of estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date

of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known /materialised.

3. Significant Accounting Policies:

i. Fixed Asset, Depreciation and Amortization :

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any thereon. Depreciation is charged using the straight line method based on the useful life of fixed assets as estimated by the management as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold. In case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the asset.

Individual assets/group of similar assets costing up to ₹ 5,000 has been depreciated in full in the year of purchase. Leasehold land is depreciated on a straight line basis over the leasehold period.

Estimated useful life of the assets are as under:

Class of assets	Useful life
Buildings*	20 years
Computers*	3 years
Office equipment	5 years
Electrical*	5 years
Furniture and fixtures*	5 years
Vehicles*	5 years
Software	3 years

*For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuer's the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

ii. Assignment of loan portfolio:

Derecognition of loans assigned, in the books of the Company, is based on the concept of surrender of control over the loans resulting in a "true sale" of loans. Future interest spread receivables in case of a par structure deals are recognised over the tenure of agreements as per guidelines issued by the RBI. Expenditure in respect of direct assignment is recognised upfront. Credit enhancement in the form of cash collateral provided by the Company is included under Cash and bank balance / Loans and advances, as applicable.

iii. Revenue recognition:

The Company complies, in all material respects, with the Accounting Standard -9 issued by the Institute of Chartered Accountants of India, Prudential Norms relating to income recognition, asset classification and the minimum provisioning for bad and doubtful debts and standard assets, specified in the directions issued by the RBI & NHB, as applicable to it, and

- Interest Income is recognised on the time proportionate basis as per agreed terms;
- Interest Income recognised and remaining due for more than 150 days for all the loans are reversed and are accounted as income when these are actually realised. In the books of subsidiary IIHFL, interest income is reversed if it is due for 90 days or more;
- Dividend income is recognised when the right to receive payment is established;
- Processing fees received from customers is recognised as income on receipt basis;
- In respect of the other heads of income, the Company accounts the same on accrual basis.

iv. Preliminary expenses:

Preliminary expenses are written off in the financial year in which they are incurred.

v. Employee benefits:

The company's contribution towards provident fund and family pension fund, which are defined contribution, are accounted for on an accrual basis and recognised in the statement of profit & loss. The Company has provided "Compensated Absences" on the basis of actuarial valuation.

Gratuity is post employment benefit and is in the nature of defined benefit plan. The liability recognized in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the balance sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method.

vi. Provisions, Contingent liabilities and Contingent assets:

A provision is recognised if, as a result of past event, the company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Non-performing loans are written off / provided for, as per management estimates, subject to the minimum provision required as per Non-Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 ("RBI Directions, 2015) dated March 27, 2015. Provision on standard assets is made as per notification no. DNBR.009/CGM(CDS)-2015 dated March 27, 2015 issued by RBI.

For the subsidiary IIHFL non-performing loans are written off / provided for, as per management estimates subject to the minimum provision required as per National Housing Bank (NHB) Directions. Provision on standard assets is made as per notification No. NHB. HFC. DIR. 9/ CMD/ 2013 dated September 6, 2013 issued by NHB.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets are neither recognized nor disclosed in the financial statements.

vii. Taxes on income:

Tax expense comprises of current and deferred tax and includes any adjustments related to the past periods in current and /or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.Provision for current tax is computed based on estimated tax liability computed after adjusting for allowance, disallowance and exemptions in accordance with the applicable tax laws.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences of earlier year. Deferred tax is measured using the tax rate and the tax laws enacted or substantively enacted at the Balance Sheet date. The deferred tax assets are recognised only to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

viii. Operating leases:

Lease rentals in respect of operating lease arrangements are charged to the statement of profit & loss in accordance with Accounting Standard 19 – Leases, issued by the Institute of Chartered Accountants of India.

ix. Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other Investments are classified as non – current investments.

Current investments are stated at lower of cost or market / fair value. Non – current investments are carried at cost. Provision for diminution in value of non – current investments is made, if in the opinion of the management, such diminution is other than temporary. For investment in mutual funds, the net assets value (NAV) declared by the mutual funds at the Balance Sheet date is considered as the fair value.

x. Inventories:

Closing stock is valued at cost or market value, whichever is lower. Cost is computed on FIFO basis.

xi. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xii. Borrowings:

Borrowings are bifurcated under long term and short term liabilities. Commercial papers are recognised at Face value at the time of its issue. Any difference between the proceeds and the redemption value is recognised in profit & loss account over the period of the borrowings.

xiii. Debenture Issue Expenses:

Debenture issue expenses incurred on public issue of non convertible debentures are amortized over tenure of the underlying debenture.

In case of private placement of non convertible debentures the same is charged to the profit and loss account in the year in which they are incurred.

Financial Year 2014-15

1. Basis of consolidation:

I. **Basis of preparation of financial statements:**

The Consolidated Financial Statements are prepared in accordance with the Accounting Standard (AS) 21 on Consolidated Financial Statement notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014(as amended) and the relevant provisions of the Companies Act 2013. The Consolidated Financial Statements comprises of India Infoline Finance Limited and its subsidiaries.

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all material aspects of the applicable Accounting Standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the relevant provisions of the Companies Act 2013 along with the guidelines issued by the Reserve bank of India (RBI) as applicable to NBFC's as well as norms prescribed by National Housing Bank (NHB). The financial statements have been prepared on accrual basis under the historical cost convention.

II. **Principles of consolidation:**

The financial statements of the group companies of India Infoline Finance Limited have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all material aspects of the applicable Accounting Standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 issued by the Ministry of Corporate Affairs. The financial statements have been prepared on accrual basis under the historical cost convention. The effects of all inter-group transactions and balances have been eliminated on consolidation.

III. **List of subsidiaries consolidated:**

The individual Balance Sheet as at March 31, 2015, statement of profit and loss and cash flow statement for the year ended March 31, 2015 of following subsidiary is included in consolidation:

India Infoline Housing Finance Limited (IIHFL)

2. Use of estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known /materialised.

Significant Accounting Policies:

i. Fixed Asset, Depreciation and Amortization :

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any thereon. Depreciation is charged using the straight line method based on the useful life of fixed assets as estimated by the management as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold. In case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the asset.

Individual assets/group of similar assets costing up to ₹ 5,000 has been depreciated in full in the year of purchase. Leasehold land is depreciated on a straight line basis over the leasehold period.

Estimated useful life of the assets are as under:

Class of assets	Useful life
Buildings*	20 years
Computers*	3 years
Office equipment	5 years
Electrical*	5 years
Furniture and fixtures*	5 years
Vehicles*	5 years
Software	3 years

*For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuer's the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

ii. Assignment of loan portfolio:

Derecognition of loans assigned, in the books of the Company, is based on the concept of surrender of control over the loans resulting in a "true sale" of loans. Future interest spread receivables in case of a par structure deals are recognised over the tenure of agreements as per guidelines issued by the RBI. Expenditure in respect of direct assignment is recognised upfront. Credit enhancement in the form of cash collateral provided by the Company is included under Cash and bank balance / Loans and advances, as applicable.

iii. Revenue recognition:

The Company complies, in all material respects, with the Accounting Standard -9 issued by the Institute of Chartered Accountants of India, Prudential Norms relating to income recognition, asset classification and the minimum provisioning for bad and doubtful debts and standard assets, specified in the directions issued by the RBI & NHB, as applicable to it, and

- Interest Income is recognised on the time proportionate basis as per agreed terms.
- Interest Income recognised and remaining due 90 days or more for all the loans, except Gold loans for which interest is reversed after 180 days & mortgage loans for which interest is reversed after 90 days, are reversed and are accounted as income when these are actually realised.
- Dividend income is recognised when the right to receive payment is established.
- Processing fees received from customers is recognised as income on receipt basis.
- In respect of the other heads of income, the Company accounts the same on accrual basis.

iv. Preliminary expenses:

Preliminary expenses are written off in the financial year in which they are incurred.

v. Employee benefits:

The company's contribution towards provident fund and family pension fund, which are defined contribution, are accounted for on an accrual basis and recognised in the statement of profit & loss. The Company has provided "Compensated Absences" on the basis of actuarial valuation.

Gratuity is post employment benefit and is in the nature of defined benefit plan. The liability recognized in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the balance sheet date

together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method.

vi. Provisions, Contingent liabilities and Contingent assets:

A provision is recognised if, as a result of past event, the company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Non-performing loans are written off / provided for, as per management estimates, subject to the minimum provision required as per Non-Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 ("RBI Directions, 2015) dated March 27, 2015. Provision on standard assets is made as per notification no. DNBR.009/CGM(CDS)-2015 dated March 27, 2015 issued by RBI.
For the subsidiary IIHFL non-performing loans are written off / provided for, as per management estimates subject to the minimum provision required as per National Housing Bank (NHB) Directions. Provision on standard assets is made as per notification No. NHB. HFC. DIR. 9/ CMD/ 2013 dated September 6, 2013 issued by NHB. All such provisions are classified as long term provisions.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets are neither recognized nor disclosed in the financial statements.

vii. Taxes on income:

Tax expense comprises of current and deferred tax and includes any adjustments related to the past periods in current and /or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.Provision for current tax is computed based on estimated tax liability computed after adjusting for allowance, disallowance and exemptions in accordance with the applicable tax laws.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences of earlier year. Deferred tax is measured using the tax rate and the tax laws enacted or substantively enacted at the Balance Sheet date. The deferred tax assets are recognised only to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

viii. Operating leases:

Lease rentals in respect of operating lease arrangements are charged to the statement of profit & loss in accordance with Accounting Standard 19 – Leases, issued by the Institute of Chartered Accountants of India.

ix. Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other Investments are classified as non – current investments.

Current investments are stated at lower of cost or market / fair value. Non – current investments are carried at cost. Provision for diminution in value of non – current investments is made, if in the opinion of the management, such diminution is other than temporary. For investment in mutual funds, the net assets value (NAV) declared by the mutual funds at the Balance Sheet date is considered as the fair value.

x. Inventories:

Closing stock is valued at cost or market value, whichever is lower. Cost is computed on FIFO basis.

xi. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xii. Borrowings:

Borrowings are bifurcated under long term and short term liabilities. Commercial papers are recognised at Face value at the time of its issue. Any difference between the proceeds and the redemption value is recognised in profit & loss account over the period of the borrowings.

xiii. Debenture Issue Expenses:

Debenture issue expenses incurred on public issue of non convertible debentures are amortized over tenure of the underlying debenture.

In case of private placement of non convertible debentures the same is charged to the profit and loss account in the year in which they are incurred.

Financial year 2013-14

1. Basis of consolidation:

I. **Basis of preparation of financial statements:**

The individual Balance Sheet and Profit and Loss Account of India Infoline Finance Limited ('the Company') and its subsidiaries ('companies and / or subsidiaries'), collectively referred to as 'Group', have been consolidated as per principles of consolidation enunciated in Accounting Standard (AS) 21- 'Consolidated Financial Statements' issued by the Council of The Institute of Chartered Accountants of India.

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all material aspects of the applicable Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act, 1956 and the guidelines issued by the Reserve bank of India (RBI) as applicable to NBFCs as well as norms prescribed by National Housing Bank (NHB). 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 the previous year.

II. **Principles of consolidation:**

The financial statements of the group companies of India Infoline Finance Limited have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all material aspects of the applicable Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The effects of all inter-group transactions and balances have been eliminated on consolidation. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year by the Company.

III. **List of subsidiaries consolidated:**

The individual Balance Sheet as at March 31, 2014 and statement of profit and loss for the year ended March 31, 2014 of following subsidiary is included in consolidation:

India Infoline Housing Finance Limited (IIHFL)

2. Use of estimates:

The presentation of financial statements in conformity with the Generally Accepted Accounting Principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

3. Significant Accounting Policies:

i. Fixed Asset, Depreciation and Amortization :

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any thereon. Depreciation is charged using the straight line method based on the useful life of fixed assets as estimated by the management as specified below, or the rates specified in accordance with the provisions of schedule XIV of the Companies Act, 1956, which-ever is higher. In the case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the asset.

Depreciation is charged from the 'month" in which new assets are "put to use". No depreciation is charged for the month in which assets are sold. Individual assets / group of similar assets costing upto ₹ 5,000/- has been depreciated in full, in the year of purchase.

Estimated useful life of the assets is as under:

Class of assets	Useful life in years
Buildings	20
Computers	3
Electrical & Office equipment	5
Furniture and fixtures	5
Vehicles	5
Software	3

ii. Assignment of loan portfolio:

Derecognition of loans assigned, in the books of the Company, is based on the concept of surrender of control over the loans resulting in a "true sale" of loans. Future interest spread receivables in case of a par structure deals are recognised over the tenure of agreements as per guidelines issued by the RBI. Expenditure in respect of direct assignment is recognised upfront. Credit enhancement in the form of cash collateral provided by the Company is included under Cash and bank balance / Loans and advances, as applicable.

iii. Revenue recognition:

The Company complies, in all material respects, with the Accounting Standards, Prudential Norms relating to income recognition, asset classification and the minimum provisioning for bad and doubtful debts and standard assets, specified in the directions issued by the RBI & NHB, as applicable to it, and

- Interest Income is recognised on the time proportionate basis as per agreed terms.
- Income recognised and remaining unrealised for ninety days or more for all the loans, except Gold loans for which interest is reversed after 180 days, are reversed and are accounted as income when these are actually realised.
- Interest income on non-performing assets is recognised on cash basis.
- Dividend income is recognised when the right to receive payment is established.
- In respect of the other heads of income, the Company accounts the same on accrual basis.
- Processing fees received from customers is recognised as income on receipt basis.

iv. Preliminary expenses:

Preliminary Expenses are written off in the financial year in which it is incurred.

v. Retirement benefits:

The company's contribution towards Provident Fund and Family Pension Fund, which are defined contribution, are accounted for on an accrual basis and recognised in the statement of profit & loss. The Company has provided "Compensated Absences" on the basis of actuarial valuation.

Gratuity is post employment benefit and is in the nature of Defined Benefit Plan. The Liability recognized in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the balance sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method.

vi. Provisions, Contingent liabilities and Contingent assets:

Non-performing loans are written off / provided for, as per management estimates, subject to the minimum provision required as per Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank)

Directions, 2007. Provision on Standard Assets is made as per notification no. DNBS.PD.CC.No.207/03.02.002/2010-2011 dated January 17, 2011 issued by RBI.

For the subsidiary IIHFL non-performing loans are written off / provided for, as per management estimates subject to the minimum provision required as per National Housing Bank (NHB) Directions. Provision on standard assets is made as per notifications issued by NHB. All such provisions are classified as long term provisions.

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets are neither recognized nor disclosed in the financial statements.

vii. Taxes on income:

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Provision for current tax is computed based on estimated tax liability computed after adjusting for allowance, disallowance and exemptions in accordance with the applicable tax laws.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier year deferred tax is measured using the tax rate and the tax laws enacted or substantively enacted at the Balance Sheet date. At each reporting date, the Company re-assesses unrecognized deferred tax assets. The deferred tax asset is recognised or unrecognised, to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. Deferred tax liability is recognised as and when arisen.

viii. Operating leases:

Lease rentals in respect of operating lease arrangements are charged to the statement of profit & loss in accordance with Accounting Standard 19 – Leases, issued by the Institute of Chartered Accountants of India.

ix. Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other Investments are classified as non – current investments. Current investments are stated at lower of cost or market / fair value. Non – current investments are carried at cost. Provision for diminution in value of non – current investments is made, if in the opinion of the management, such diminution is other than temporary. For investment in mutual funds, the net assets value (NAV) declared by the mutual funds at the Balance Sheet date is considered as the fair value.

x. Inventories:

Closing stock is valued at cost or market value, whichever is lower. Cost is computed on FIFO basis.

xi. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xii. Borrowings:

Borrowings are bifurcated under long term and short term liabilities. Commercial papers are recognised at Face value at the time of its issue. Any difference between the proceeds and the redemption value is recognised in profit & loss account over the period of the borrowings..

xiii. Debenture Issue Expenses:

Debenture issue expenses incurred on public issue of non convertible debentures are amortized on weighted average tenure of the underlying debenture.

In case of private placement of non convertible debentures the same is charged to the profit and loss account in the year in which they are incurred.

5. Share Capital:

(i) Authorised, Issued, Subscribed and Paid-up Share Capital:

(₹ in Millions)

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Authorised Share Capital					
300,000,000 Equity Shares of ₹ 10 each	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
1,999,600 Equity Shares of ₹ 100 each	199.96	199.96	199.96	199.96	199.96
150 Preference Shares of ₹ 100 each	-	-	-	-	0.02
250 Preference Shares of ₹ 100 each	-	-	-	-	0.02
400 Preference Shares of ₹ 100 each	0.04	0.04	0.04	0.04	-
575,000,000 Preference Shares of ₹ 10 each	5,750.00	5,750.00	5,750.00	5,750.00	-
Total	**8,950.00**	**8,950.00**	**8,950.00**	**8,950.00**	**3,200.00**
Issued, Subscribed and Paid-up Share Capital					
Equity Shares of ₹ 10 each fully paid with voting rights	2,807.42	2,371.66	2,371.54	2,371.54	2,371.54
Number of Shares	*280,742,031*	*237,165,102*	*237,154,030*	*237,154,030*	*237,154,030*
8% Non Convertible Redeemable Preference Shares of ₹ 10/- each fully paid	-	750.00	750.00	750.00	-
Number of shares	-	*75,000,000*	*75,000,000*	*75,000,000*	-
0.01% Compulsorily Convertible Preference Shares of ₹ 10/- each fully paid	-	433.34	-	-	-
Number of shares	-	*43,334,409*	-	-	-
8% Non Convertible Preference shares of ₹ 10 each	-	-	1,000.00	1,000.00	-
Number of shares	-	-	*100,000,000*	*100,000,000*	-
9.25% Non Convertible Preference shares of ₹ 10 each	-	-	1,500.00	1,500.00	-
Number of shares	-	-	*150,000,000*	*150,000,000*	-
Total	**2,807.42**	**3,555.00**	**5,621.54**	**5,621.54**	**2,371.54**

(ii) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Equity Shares:					
At the beginning of the year	237,165,102	237,154,030	237,154,030	237,154,030	237,154,030
Add: Issued during the year	-	100	-	-	-
Add: Stock Options exercised under Employee stock option plan (Refer Note 37)	242,520	10,972	-	-	-
Add: Preference shares converted during the year	43,334,409	-	-	-	-
Outstanding at the end of the year	**280,742,031**	**237,165,102**	**237,154,030**	**237,154,030**	**237,154,030**
8% Non Convertible Redeemable Preference Shares:					
At the beginning of the year	75,000,000	75,000,000	75,000,000	-	-
Add: Issued during the year	-	-	-	75,000,000	-
Less: Redeemed during the year	75,000,000	-	-	-	-
Outstanding at the end of the year	**-**	**75,000,000**	**75,000,000**	**75,000,000**	**-**
8% Compulsorily Redeemable Non Convertible Cumulative Preference Shares:					
At the beginning of the year	-	100,000,000	100,000,000	-	-
Add: Issued during the year	**-**	**-**	-	100,000,000	-
Less: Redeemed during the year	**-**	100,000,000	-	-	-
Outstanding at the end of the year	**-**	**-**	**100,000,000**	**100,000,000**	**-**
9.25% Compulsorily Redeemable Non Convertible Cumulative Preference Shares:					
At the beginning of the year	-	150,000,000	150,000,000	-	-
Add: Issued during the year	**-**	**-**	-	150,000,000	-
Less: Redeemed during the year	**-**	150,000,000	-	-	-
Outstanding at the end of the year	**-**	**-**	**150,000,000**	**150,000,000**	**-**
0.01% Compulsorily Convertible Preference Shares					
At the beginning of the year	43,334,409	-	**-**	**-**	**-**
Add: Issued during the year	-	43,334,409	-	-	-
Less: Converted during the year	43,334,409	-	-	-	-
Outstanding at the end of the year	**-**	**43,334,409**	**-**	**-**	**-**

Reconciliation of share capital outstanding at the beginning and at the end of the reporting period:

(₹ in Millions)

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Equity Shares:					
At the beginning of the year	2,371.65	2,371.54	2,371.54	2,371.54	2,371.54
Add: Issued during the year	-	0.00*	-	-	-
Add: Stock Options exercised under Employee stock option plan(refer note no 37)	2.43	0.12	-	-	-
Add: Preference shares converted during the year	433.34	-	-	-	-
Outstanding at the end of the year	**2,807.42**	**2,371.66**	**2,371.54**	**2,371.54**	**2,371.54**

Particulars	As at March 31				
	2018	2017	2016	2015	2014
8% Non Convertible Redeemable Preference Shares:					
At the beginning of the year	750.00	750.00	750.00	-	-
Add: Issued during the year	-	-	-	750.00	-
Less: Redeemed during the year	750.00	-	-	-	-
Outstanding at the end of the year	**-**	**750.00**	**750.00**	**750.00**	**-**
8% Compulsorily Redeemable Non Convertible Cumulative Preference Shares:					
At the beginning of the year	-	1,000.00	1,000.00	-	-
Add: Issued during the year	-	-	-	1,000.00	-
Less: Redeemed during the year	-	1,000.00	-	-	-
Outstanding at the end of the year	**-**	**-**	**1,000.00**	**1,000.00**	**-**
9.25% Compulsorily Redeemable Non Convertible Cumulative Preference Shares:					
At the beginning of the year	-	1,500.00	1,500.00	-	-
Add: Issued during the year	-	-	-	1,500.00	-
Less: Redeemed during the year	-	1,500.00	-	-	-
Outstanding at the end of the year	**-**	**-**	**1,500.00**	**1,500.00**	**-**
0.01% Compulsorily Convertible Preference Shares					
At the beginning of the year	433.34	-	-	-	-
Add: Issued during the year	-	433.34	-	-	-
Less: Converted during the year	433.34	-	-	-	-
Outstanding at the end of the year	**-**	**433.34**	**-**	**-**	**-**

*amount is less than ₹ 0.01 mn , hence shown as ₹ 0.00 mn wherever applicable.

(iii) Rights attached to equity shares:

Financial Year 2017-18

The Company has issued only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. During the year ended March 31, 2018, equity shareholders were paid an interim dividend of ₹ 2.75/- per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

Financial year 2016-17, 2015-16, 2014-15 and 2013-14

The Company has issued only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. Equity shareholders were paid an interim dividend per share as below:

Particulars	As at March 31			
	2017	2016	2015	2014
Dividend per share(in ₹)	2.75	2.75	2.50	2.50

(iv) Rights attached to Preference shares:

Financial Year 2017-18

a) ***8% Non Convertible Redeemable Preference Shares:***
These shares have been redeemed during the year. They had seniority over equity shareholders with respect to payment of capital and dividend. It had dividend rate of 8% p.a. and no cumulative right with respect to payment of dividend.

b) ***0.01% Compulsorily Convertible Preference Shares:***
The rights of the holders of these Preference Shares were governed by the provisions of the Companies Act, 2013, read with applicable rules and any amendment / modification in law from time to time and such other applicable regulations, the Articles of Association of the Company and by the Investment agreement dated July 20, 2016 entered amongst the Company, IIFL Holdings Limited and CDC Group PLC. During the year ended March 31, 2018, interim dividend of ₹ 2.75/- per share and 0.01% per annum was paid, on proportionate basis, on the aforesaid preference shares as per the terms of agreement. These were converted into fully paid equity shares during the year.

Financial Year 2016-17

a) **75,000,000 8% Non Convertible Redeemable Preference Shares of ₹ 10/- each aggregating to ₹ 750.00 mn.**
These shares shall have seniority over equity shareholders with respect to payment of capital and dividend. It shall carry dividend rate of 8% p.a. and will not have any cumulative right with respect to payment of dividend.

b) **43,334,409 0.01% Compulsorily Convertible Preference Shares of ₹ 10/- each aggregating to ₹ 433.34 mn.**
The rights of the holders of these Preference Shares shall be governed by the provisions of the Companies Act, 2013, read with applicable rules and any amendment / modification in law from time to time and such other applicable regulations, the Articles of Association of the Company and by the Investment agreement dated July 20, 2016 entered amongst the Company, IIFL Holdings Limited and CDC Group PLC. During the year ended March 31, 2017, interim dividend of ₹ 2.75/- per share on a proportionate basis was paid on the aforesaid preference shares as per the terms of agreement.

Financial Year 2015-16

a) **75,000,000 - 8% compulsorily redeemable Non-convertible Non-cumulative preference shares of ₹ 10/- each aggregating to ₹ 750.00 mn**. These shares shall have seniority over equity shareholders with respect to payment of capital and dividend. It shall carry dividend rate of 8% p.a. and will not have any cumulative right with respect to payment of dividend.
b) **100,000,000 - 8% compulsorily redeemable Non convertible Cumulative preference shares of ₹ 10/- each aggregating to ₹ 1,000 mn**. These shares shall have seniority over equity shareholders with respect to payment of capital and dividend. It shall carry dividend rate of 8% p.a. and their right to dividend is on cumulative basis.

c) **150,000,000 - 9.25% compulsorily redeemable Non convertible Cumulative Preference Shares aggregating to ₹ 1,500 mn**. These shares shall have seniority over equity shareholders with respect to payment of capital and dividend. Their right to dividend is on cumulative basis. During the year ended March 31, 2016 the company has declared and paid dividend on these shares @ 9.25% in accordance with the terms of the Issue.
Other rights of the holders of Preference Shares shall be governed by the provisions of the Companies Act, 2013, read with applicable rules and any amendment / modification in law from time to time and such other applicable regulations.

Financial Year 2014-15

a) **Company allotted 8% compulsorily redeemable non convertible non cumulative preference shares of ₹ 10/- each aggregating to ₹ 750.00 mn.** These shares shall have seniority over equity shareholders with respect to payment of capital and dividend. It shall carry dividend rate of 8% p.a. and will not have any cumulative right with respect to payment of dividend.

b) **Company allotted 8% compulsorily redeemable non convertible cumulative preference shares of ₹ 10/- each aggregating to ₹ 1,000.00 mn**. Further Company allotted 9.25% compulsorily redeemable non-convertible cumulative preference shares aggregating to ₹ 1,500 mn. These shares shall have seniority over equity shareholders with respect to payment of capital and dividend. Their right to dividend is on cumulative basis. Other rights of the holders of preference shares shall be governed by the provisions of Companies Act, 2013 read with applicable rules and any amendment/ modification in law from time to time and such other applicable regulations.

(v) Shares held by the Holding Company and its subsidiaries :

Equity shares held by IIFL Holdings Limited and its nominees:

As at March 31									
2018		2017		2016		2015		2014	
No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings
237,345,270	84.54%	237,154,030	99.99%	237,154,030	100.00%	234,467,549	98.87%	234,467,549	98.87%

Preference shares held by IIFL Holdings Limited:

As at March 31									
2018		2017		2016		2015		2014	
No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings
8% Non Convertible Redeemable Preference Shares of ₹ 10 each fully paid up									
-	-	75,000,000	100.00%	75,000,000	100.00%	75,000,000	100.00%	-	-
8% Compulsorily Redeemable Non Convertible Cumulative Preference Shares of ₹ 10 each fully paid up									
-	-	-	-	50,000,000	50.00%	50,000,000	50.00%	-	-

Preference shares held by IIFL Wealth Management Limited:

As at March 31									
2018		2017		2016		2015		2014	
No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings
8% Compulsorily Redeemable Non Convertible Cumulative Preference Shares of ₹ 10 each fully paid up									
-	-	-	-	-	-	49,500,000	49.50%	-	-
9.25% Compulsorily Redeemable Non Convertible Cumulative Preference shares of ₹ 10 each fully paid									
-	-	-	-	-	-	150,000,000	100.00%	-	-

(vi) Details of shareholders holding more than 5% shares in the Company:

Name of the shareholder	As at March 31				
	2018	2017	2016	2015	2014
Equity shares of ₹ 10 each (fully paid up)					
IIFL Holdings Limited and its nominees					
Number of shares	237,345,270	237,154,030	237,154,030	234,467,549	234,467,549
% of holding	84.54%	99.99%	100.00%	98.87%	98.87%
CDC Group PLC					
Number of shares	43,334,509	100	-	-	-
% holdings	15.44%	-*	-	-	-
8% Non- Convertible Non –Cumulative Preference shares of ₹ 10 each fully paid up)					
IIFL Holdings Limited					
Number of shares	-	75,000,000	75,000,000	75,000,000	-
% holdings	-	100%	100%	100%	-

Name of the shareholder	As at March 31				
	2018	2017	2016	2015	2014
8% Compulsorily Redeemable Non-Convertible Cumulative Preference shares of ₹ 10 each fully paid up					
IIFL Holdings Limited					
Number of shares	-	-	50,000,000	50,000,000	-
% holdings	-	-	50.00%	50.00%	-
IIFL Wealth Management Limited					
Number of shares	-	-	-	49,500,000	-
% holdings	-	-	-	49.50%	-
9.25% Compulsorily Redeemable Non Convertible Cumulative Preference shares of ₹ 10 each fully paid up					
IIFL Wealth Management Limited					
Number of shares	-	-	-	150,000,000	-
% holdings	-	-	-	100%	-
0.01% Compulsorily Convertible Preference Shares of ₹ 10 each					
CDC Group PLC					
Number of shares	-	43,334,409	-	-	-
% holdings	-	100%	-	-	-

*Less than 0.01%

vii. During the period of five years immediately preceding March 31, 2018, March 31, 2017, March 31,2016, March 31,2015 and March 31,2014, the Company has not issued any shares without payment being received in cash or by way of bonus shares or shares bought back.

viii. Shares reserved for issue under options and contracts/commitments for sale of shares/disinvestments, including the terms and amount:
Refer note no. 37 for details of shares reserved for issue under Employee Stock Option Plan of the Company during the financial year 2017-18, 2016-17, 2015-16, 2014-15 and 2013-14.

ix. 43,334,409 Compulsorily Convertible Preference Shares (CCPS) issued in earlier year have been converted into fully paid equity shares during the year 2017-2018 (Refer note 5 (iv) (b) of 2017-18 for detailed terms).

Financial Year 2016-17

Terms of Securities convertible into equity shares:
43,334,409 Compulsorily Convertible Preference Shares (CCPS) may be converted any time at the option of the CCPS holder, however, each CCPS shall automatically be converted into Equity Shares upon the earlier of (i) September 25, 2036 or (ii) in connection with an IPO of the Company or Investor IPO (or any subsequent IPO) at the latest date as may be permitted under applicable Laws.

6. Reserves and surplus:

(₹ in Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Capital Redemption Reserve					
Opening Balance	1,500.00	-	-	-	-
Additions during the year	750.00	1,500.00	-	-	-
Closing Balance (A)	**2,250.00**	**1,500.00**	**-**	-	-

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Securities Premium Reserve					
Opening balance	18,264.03	8,656.49	8,657.49	8,657.49	8,657.49
Additions during the year	19.07	9,617.60	-	-	-
Utilised during the year	-	10.06	1.00	-	-
Closing Balance (B)	**18,283.10**	**18,264.03**	**8,656.49**	**8,657.49**	**8,657.49**
Debenture Redemption Reserve					
Opening balance	4,393.70	3,765.00	2,543.00	2,000.00	850.00
Additions during the year	585.80	628.70	1,222.00	543.00	1,150.00
Closing Balance (C)	**4,979.50**	**4,393.70**	**3,765.00**	**2,543.00**	**2,000.00**
General Reserve					
Opening balance	463.00	463.00	463.00	463.00	263.00
Additions during the year	-	-	-	-	200.00
Closing Balance (D)	**463.00**	**463.00**	**463.00**	**463.00**	**463.00**
I. Special Reserve (Pursuant to Section 45-IC of Reserve Bank of India Act, 1934)					
Opening balance	3,160.13	2,472.50	1,922.50	1,415.00	1,050.00
Additions due to transfer during the year from surplus in the Statement of Profit and Loss	715.17	687.63	550.00	507.50	365.00
Closing Balance (I)	**3,875.30**	**3,160.13**	**2,472.50**	**1,922.50**	**1,415.00**
II. Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987					
Opening balance	567.70	373.70	223.20	115.20	53.00
Additions due to transfer during the year from surplus in the Statement of Profit and Loss	395.00	194.00	150.50	108.00	62.20
Closing balance (II)	**962.70**	**567.70**	**373.70**	**223.20**	**115.20**
Total Special Reserve (I + II) (E)	**4,838.00**	**3,727.83**	**2,846.20**	**2,145.70**	**1,530.20**
Surplus in Statement of Profit and Loss					
Opening balance	3,544.96	3,287.98	3,006.11	1,985.63	2,398.84
Addition: Profit for the year	5,543.01	4,231.96	3,387.00	3,012.27	2,104.04
Less: Appropriations					
Interim dividend	652.79	652.17	652.17	592.88	592.89
Dividend distribution tax on interim dividend	132.89	130.21	132.77	100.76	100.76
Preference dividend	159.16	140.38	338.98	101.99	39.50
Dividend distribution tax on preference dividend	32.39	27.08	53.69	27.87	6.90
Transfer to Special Reserve as per section 45-IC of the Reserve Bank of India Act, 1934	715.17	687.63	550.00	507.50	365.00

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Transfer to Special Reserve as per Section 29C of the National Housing Bank Act,1987	395.00	194.00	150.50	108.00	62.20
Deferred tax liability	-	14.81	5.02	9.79	-
Transfer to General Reserve	-	-	-	-	200.00
Transfer to Capital Redemption Reserve	750.00	1,500.00	-	-	-
Transfer to Debenture Redemption Reserve	585.80	628.70	1,222.00	543.00	1,150.00
Closing Balance (F)	**5,664.77**	**3,544.96**	**3,287.98**	**3,006.11**	**1,985.63**
Total (A+B+C+D+E+F)	**36,478.37**	**31,893.52**	**19,018.67**	**16,815.30**	**14,636.32**

Financial Year 2017-18

6.1. Capital Redemption Reserve has been created on redemption of the Preference share capital as per section 55 of the Companies Act, 2013.

6.2. Pursuant to Section 71 of the Companies Act, 2013 read with Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014, Non Banking Finance Company ("NBFC") and Housing Finance Company ("HFC) are required to create Debenture Redemption Reserve of a value equivalent to 25% of the debentures offered through public issue. Accordingly, ₹ 585.80 mn has been transferred to Debenture Redemption Reserve account for the financial year ended March 31, 2018.

6.3 Pursuant to section 45-IC of the Reserve Bank of India Act, 1934, ₹ 715.17 mn being 20% of the profit after taxes for the year of India Infoline Finance Limited and Samasta Microfinance Limited has been transferred from the Statement of Profit and Loss to Special Reserve.

6.4 Pursuant to section 29C of the National Housing Bank Act, 1987, ₹ 395.00 mn being 20% of the profit after taxes for the year of India Infoline Housing Finance Limited has been transferred from the Statement of Profit and Loss to Special Reserve.

Financial Year 2016-17

Pursuant to Section 71 of the Companies Act, 2013 read with Rule 18 of the Companies (Share Capital and Debentures Rules, 2014) the Company being an NBFC was required to create debenture redemption reserve of a value equivalent to 25% of the debentures offered through a public issue. Accordingly, ₹ 355.40 mn has been transferred to debenture redemption reserve account for the financial year ended March 31, 2017. For the subsidiary IIHFL debenture redemption reserve has been made at the rate of 25% on public issue of non convertible debentures and accordingly, ₹ 273.30 mn has been transferred to debenture redemption reserve account for the financial year ended March 31, 2017.

Financial Year 2015-16

Pursuant to Section 71 of the Companies Act, 2013 read with Rule 18 of the Companies (Share Capital and Debentures Rules, 2014) the Company being an NBFC was required to create debenture redemption reserve of a value equivalent to 25% of the debentures offered through a public issue. Accordingly, ₹ 949.00 mn has been transferred to debenture redemption reserve account for the financial year ended March 31, 2016. For the subsidiary IIHFL debenture redemption reserve has been made at the rate of 25% on public issue of non convertible debentures. Accordingly, ₹273.00 mn has been transferred to debenture redemption reserve account for the financial year ended March 31, 2016.

Financial Year 2014-15

Pursuant to Section 71 of the Companies Act, 2013 read with Rule 18 of the Companies (Share Capital and Debentures Rules, 2014) the Company being an NBFC was required to create debenture redemption reserve of a value equivalent to 25% of the debentures offered through a public issue. Accordingly, ₹ 313.00 mn has been transferred to debenture redemption reserve account for the financial year ended March 31, 2015. For the subsidiary IIHFL debenture redemption reserve has been made at the rate of 25% on public issue of non convertible debentures. Accordingly, ₹ 230.00 mn has been transferred to debenture redemption reserve account for the financial year ended March 31, 2015.

7. Minority Interest

(₹ In Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Opening	37.27	-	1,179.43	-	-
Add: Addition in minority interest during the year	-	36.86	-	1,179.43	-
Add: Share of profit/(loss) of minority interest	(0.22)	0.41	(1,179.43)	-	-
Closing	**37.05**	**37.27**	**-**	**1,179.43**	**-**

8. Long Term Borrowings

(₹ In Millions)

Particulars	Non-Current					Current maturities				
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Non Convertible Debentures										
Secured	30,973.60	51,631.83	28,091.67	35,239.76	22,302.21	22,555.73	7,607.83	12,195.12	800.00	4,236.20
Unsecured - Subordinate debt	8,950.00	11,104.17	12,166.10	11,370.91	6,820.92	5,004.17	11.93	24.82	-	-
Sub-Total (A)	**39,923.60**	**62,736.00**	**40,257.77**	**46,610.67**	**29,123.13**	**27,559.90**	**7,619.76**	**12,219.94**	**800.00**	**4,236.20**
Term Loans - Secured:										
Term loan from Banks	56,715.04	42,814.80	46,048.91	45,182.21	28,941.27	18,637.27	12,229.05	21,053.02	13,233.83	12,521.99
Loans from National Housing Bank (NHB)	6,794.24	1,424.12	-	-	-	694.80	162.47	-	-	-
Loan from others	168.79	37.81	-	-	-	282.03	13.89	-	-	-
Sub-Total (B)	**63,678.07**	**44,276.73**	**46,048.91**	**45,182.21**	**28,941.27**	**19,614.10**	**12,405.41**	**21,053.02**	**13,233.83**	**12,521.99**
Total (A+B)	**103,601.67**	**107,012.73**	**86,306.68**	**91,792.88**	**58,064.40**	**47,174.00**	**20,025.17**	**33,272.96**	**14,033.83**	**16,758.19**
Amount disclosed under the head "Other Current Liabilities" (Refer note 13)	-	-	-	-		(47,174.00)	(20,025.17)	(33,272.96)	(14,033.83)	(16,758.19)
Total	**103,601.67**	**107,012.73**	**86,306.68**	**91,792.88**	**58,064.40**	**-**	**-**	**-**	**-**	**-**

Financial Year 2017-18:

(a) Secured non convertible debentures are secured by way of first pari-passu charge on immovable property, current assets, book debts, loans and advances including receivables other than those specifically charged.

(b) Secured term loans are secured by way of first pari-passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Out of the total loans, loans amounting to ₹ 21,727.93 mn and refinance facility from NHB amounting to ₹ 7,489.04 mn, are guaranteed by Holding Company - IIFL Holdings Limited.

(c) Bank borrowing also includes foreign currency term loan aggregating to USD 13.34 mn wherein the principal amount is fully hedged, also refer Note 27.

(d) Non Convertible Debentures – Secured includes redeemable non convertible debenture (Series A10) amounting to ₹ 1,600.00 mn which carries call and put option effective from July 23, 2018. Also, Non Convertible Subordinated debt - Unsecured includes redeemable subordinated debt (Series U08) amounting to ₹ 100.00 mn in respect of which the Company is having a call option at the end of 6th year from the date of allotment (February 28, 2018) and every year thereafter.

Financial Year 2016-17:

(a) The Company has raised ₹ 32,428.00 mn by issue of secured non convertible debentures and ₹ 200 mn by issue of Unsecured Non Convertible Debentures. Further during the year, the Company has raised secured term loans aggregating to ₹ 28,449.50 mn from various banks.

(b) The above term loans are secured by way of first pari-passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Out of the total loans from banks, loans amounting to ₹ 36,752.18 mn and Refinance Facility from NHB amounting to ₹ 1,586.58 mn are also guaranteed by ultimate Holding Company, IIFL Holdings Limited.

(c) Vistra ITCL (India) Limited formerly known as IL&FS Trust Company Limited ("ITCL") acts as a security trustee for all Loan from Banks of India Infoline Finance Limited and Milestone Trusteeship Services Private Limited (MTSL) acts as a security trustee for all Loan from Banks of India Infoline Housing Finance Limited. The security trustee is responsible for ensuring that the security cover as required for the individual term loans / cash credit / working capital demand loans facilities are being maintained during the tenure of each of the loans.

(d) Debenture redemption reserve on the Non Convertible Debenture's has been created as disclosed in note 6.

Financial Year 2015-16:

(a) The Company has also raised ₹ 10,875.00 mn and ₹ 820.00 mn by issue of secured and unsecured non convertible debentures respectively. During the year, the Company has raised secured term loans aggregating ₹ 28,950.00 mn from various banks. Of the above company has raised Foreign Currency Term Loan aggregating to ₹ 900 mn from RBL.

(b) The above term loans are secured by way of first pari-passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Out of the total loans from banks, loans amounting to ₹ 59,602.30 mn are also guaranteed by Holding Company IIFL Holdings Limited.

(c) IL&FS Trust Company Limited ("ITCL") acts as a security trustee for all bank borrowings. The security trustee is responsible for ensuring that the security cover as required for the individual term loans / cash credit / working capital demand loans facilities are being maintained during the tenure of each of the loans.

(d) Debenture redemption reserve on the NCD's has been created as disclosed in note 6

Financial Year 2014-15:

(a) The Company has also raised ₹ 15,346.00 mn and ₹ 4,550.00 mn by issue of secured and unsecured non convertible debentures respectively.

(b) During the year, the Company has raised secured term loans aggregating ₹ 31,150.00 mn from various banks.

(c) The above term loans are secured by way of first pari passu charge over the current assets in the form of Receivables, Book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Out of the total loans from Banks, loans amounting to ₹ 54,416.29 mn are also guaranteed by holding Company IIFL Holdings Limited (Formerly India Infoline Limited).

Financial Year 2013-14:

(a) The Company has also raised ₹ 18,372.10 mn by issue of secured non convertible debentures.

(b) During the year, the Company has raised secured term loans aggregating ₹ 17,450.00 mn from various banks.

(c) The above term loans are secured by way of first pari passu charge over the current assets in the form of Receivables, Book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Out of the total loans from Banks, loans amounting to ₹ 54,416.29 mn are also guaranteed by holding Company IIFL Holdings Limited (Formerly India Infoline Limited).

8.1 Non Convertible Debentures – Secured:

(₹ In Millions)

Residual Maturity	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Rate of Interest/Yield	Amount	Rate of Interest/Yield	Amount	Rate of Interest/Yield	Amount	Rate of Interest/Yield	Amount	Rate of Interest/Yield	Amount
Fixed										
Above 5 Years	-	-	15.25%	50.00	10.20%	2,875.00	10.20%	5,750.00	-	-
3-5 Years	8.00% - 15.25%	5,475.00	8.90% - 10.60%	5,800.00	10.20%	2,875.00	10.00% - 12.00%	8,448.17	10.00% - 12.00%	9,253.67
1-3 Years	7.50% - 10.56%	11,075.00	9.15% - 12.51%	29,136.83	9.80% - 12.00%	10,272.67	11.15% - 12.00%	10,011.28	10.5%- 12.00%	10,653.94
Floating*										
3-5 Years	-	-	8.60%	5,000.00	-	-	-	-	-	-
1-3 Years	8.07% - 8.60%	7,000.00	-	-	-	-	-	-	-	-
Zero Coupon										
5 Years	-	-	-	-	9.00%	39.00	9.00%	72.00	-	-
3-5 Years	8.20% - 8.75%	470.60	8.64% - 9.40%	5,043.00	-	-	10.50% - 11.45%	957.00	-	-
1-3 Years	8.10% - 9.50%	6,953.00	8.85% - 11.45%	6,602.00	9.00% - 11.95%	12,030.00	9.00% - 11.95%	10,001.31	10.76% - 11.95%	2,394.60
Total		**30,973.60**		**51,631.83**		**28,091.67**		**35,239.76**		**22,302.21**

*The floating rate non convertible debentures are linked with Government securities / Treasury Bills interest rates plus applicable spread.

8.2 Non Convertible Debentures – Unsecured:

(₹ In Millions)

Residual Maturity	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Rate of Interest/Yield	Amount	Rate of Interest/Yield	Amount	Rate of Interest/Yield	Amount	Rate of Interest/Yield	Amount	Rate of Interest/Yield	Amount
Fixed										
Above 5 Years	8.70% - 12.10%	3,100.00	9.30% - 16.90%	730.00	9.30% - 12.20%	1,350.00	11.25% - 12.20%	4,328.58	12.10% - 12.20%	530.00
3-5 Years	9.30% - 12.20%	1,300.00	9.30% - 12.00%	5,168.58	11.25% - 12.00%	3,798.58	12.00% - 12.75%	5,301.29	12.00% - 12.75%	5,301.31
1-3 Years	10.75% - 12.00%	4,348.58	12.25% - 12.75%	4,553.07	11.50% - 12.75%	5,806.31	12.75%	24.82	12.75%	24.82
Zero Coupon										
Above 5 Years	-	-	-	-	10.75% - 12.00%	751.42	10.75% - 12.00%	751.43	-	-
3-5 Years	-	-	12.00%	201.43	12.25% - 12.75%	459.79	11.50% - 12.75%	952.86	11.50% - 12.75%	964.79
1-3 Years	12.00%	201.42	12.00% - 12.75%	451.09	-	-	12.25%	11.93	-	-
Total		**8,950.00**		**11,104.17**		**12,166.10**		**11,370.91**		**6,820.92**

8.3 Term loans - Secured:

(i) Term loans from Banks:

(₹ In Millions)

Residual Maturity	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield	Amount
Fixed										
1-3 Years	8.88% - 14.00%	3.20	12.25% - 14.95%	267.22	-	-	-	-	-	-
Floating*										
Above 5 Years	8.05% - 8.40%	1,500.00	-	-	-	-	-	-	-	-
3-5 Years	7.90% - 9.85%	19,291.48	8.30% - 14.20%	14,178.17	9.75% - 10.45%	11,294.20	10.75% - 12.00%	8,122.08	11.75%- 12.50%	7,321.01
1-3 Years	7.68% - 13.25%	35,920.36	8.15% - 14.50%	28,369.41	9.60% - 11.20%	34,754.71	10.50% - 12.00%	37,060.13	11.75%- 12.25%	21,620.26
Total		**56,715.04**		**42,814.80**		**46,048.91**		**45,182.21**		**28,941.27**

*The rate of interest for the above term loans is linked to Marginal Cost of funds based Lending Rate/Treasury Bills/LIBOR plus applicable spread. The above categorisation of loans has been based on the interest rates prevalent as on the respective reporting dates.

(ii) Term loans from NHB:

(₹ In Millions)

Residual Maturity	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield	Amount
Fixed										
Above 5 Years	4.61% - 8.95%	3,122.24	7.95% - 8.70%	553.88	-	-	-	-	-	-
3-5 Years	4.61% - 8.95%	1,819.20	7.95% - 8.70%	435.12	-	-	-	-	-	-
1-3 Years	4.61% - 8.95%	1,852.80	7.95% - 8.70%	435.12	-	-	-	-	-	-
Total		**6,794.24**		**1,424.12**	**-**	**-**	**-**	**-**	**-**	**-**

(iii)Term loans from others:

(₹ In Millions)

Residual Maturity	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2016		As at March 31, 2016	
	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield	Amount
Fixed										
3-5 Years	-	-	9.30% - 9.65%	0.43	-	-	-	-	-	-
1-3 Years	9.30% - 12.00%	168.79	9.30% - 12.00%	37.38	-	-	-	-	-	-
Total		**168.79**		**37.81**	**-**	**-**	**-**	**-**	**-**	**-**

9. Other long-term liabilities:

(₹ In Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Interest accrued but not due on borrowings	953.83	1,965.65	941.95	890.88	491.80
Total	**953.83**	**1,965.65**	**941.95**	**890.88**	**491.80**

10. Provisions:

(₹ In Millions)

Particulars	Non Current					Current				
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2018	As at March 31, 2017	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Provision for Employee Benefits										
Provision for compensated absences	44.40	26.49	24.28	18.88	19.54	15.89	10.48	10.22	8.36	5.90
Provision for bonus	-	-	-	-	-	166.63	100.03	54.98	23.34	16.96
Sub-Total (A)	**44.40**	**26.49**	**24.28**	**18.88**	**19.54**	**182.52**	**110.51**	**65.20**	**31.70**	**22.86**
Other Provisions										
Contingent provision against standard assets (Refer note 10.2)	1,202.38	843.98	700.58	550.10	309.90	-	-	-	-	-
Other provisions (Refer note 10.2)	171.71	169.40	26.12	180.36	136.74	-	-	-	-	-
Provision for Tax (Refer note 10.1)	-	-	-	-	-	637.59	742.55	418.07	501.27	122.26
Proposed dividend (Refer note 10.3)	-	-	-	-	-	-	60.02	146.84	35.98	-
Dividend distribution tax on proposed dividend	-	-	-	-	-	-	12.22	32.57	14.45	6.90
Sub-Total (B)	**1,374.09**	**1,013.38**	**726.70**	**730.46**	**446.64**	**637.59**	**814.79**	**597.48**	**551.70**	**129.16**
Total (A+B)	**1,418.49**	**1,039.87**	**750.98**	**749.34**	**466.18**	**820.11**	**925.30**	**662.68**	**583.40**	**152.02**

10.1 Provision for Tax is Net of Advance Tax and TDS as below:

(₹ In Millions)

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Advance Tax and TDS	3,582.49	1,831.73	3,846.33	2,170.07	3,613.15

10.2 Details of movement in other provisions:

(₹ In Millions)

Particulars	Contingent provision against standard assets					Other provisions				
	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Opening	843.98	700.58	550.10	309.90	309.90	169.40	26.12	180.36	136.74	97.08
Add: Addition	358.40	143.40	150.48	240.20	-	12.42	143.28	26.12	43.62	39.66
Less: Reversals	-	-	-	-	-	10.11	-	180.36	-	-
Closing	**1,202.38**	**843.98**	**700.58**	**550.10**	**309.90**	**171.71**	**169.40**	**26.12**	**180.36**	**136.74**

10.3 Details of proposed preference dividend:

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Dividend Proposed by IIFL					
On 8% Non Convertible Redeemable Preference Shares of ₹ 10 each	-	₹ 0.8 Per share	₹ 0.8 Per share	₹ 0.8 Per share	-
Number of shares	-	75,000,000	75,000,000	75,000,000	-
Sub-total (A) (₹ In Millions)	**-**	**60.00**	**60.00**	**30.25**	**-**
On 0.01% Compulsorily Convertible Preference Shares of ₹ 10 each	-	₹ 0.0005 Per share	-	-	-
Number of shares	-	43,334,409	-	-	-
Sub-total (B) (₹ In Millions)	**-**	**0.02**	**-**	**-**	**-**

On 8.00% Compulsorily Redeemable Non Convertible Cumulative Preference Shares of ₹ 10 each	-	-	₹ 0.8 Per share	₹ 0.8 Per share	-
Number of shares	-	-	100,000,000	100,000,000	-
Sub-total (C) (₹ In Millions)	-	-	**80.00**	**3.07**	-
9.25% Compulsorily Redeemable Non Convertible Cumulative Preference Shares:			₹ 0.9 Per share	₹ 0.9 Per share	-
Number of shares	-	-	150,000,000	150,000,000	-
Sub-total (D) (₹ In Millions)	-	-	**6.84**	**2.66**	-
Total (A+B+C+D) (I) (₹ In Millions)	-	**60.02**	**146.84**	**35.98**	-

11. Short term borrowings:

(₹ In Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Secured					
Cash credit/Bank Overdraft	8,131.48	6,799.83	4,770.45	3,961.30	3,277.51
Term loan from Banks	-	1,000.00	-	1,700.00	500.00
Loan from financial Institution	-	-	1,450.00	1,000.00	-
Collateralised Borrowing and Lending Obligation (CBLO)	5,550.00	8,400.00	-	-	-
Less : Unexpired discount on CBLO	(2.14)	(2.51)	-	-	-
Sub-Total (A)	**13,679.34**	**16,197.32**	**6,220.45**	**6,661.30**	**3,777.51**
Unsecured					
Commercial papers	85,670.00	38,050.00	27,650.00	26,650.00	23,310.00
Less : Unexpired discount on commercial papers	(1,066.24)	(244.05)	(323.09)	(324.66)	(252.40)
Inter corporate deposit – Unsecured	-	-	-	1,020.00	50.00
Sub-Total (B)	**84,603.76**	**37,805.95**	**27,326.91**	**27,345.34**	**23,107.60**
Total (A+B)	**98,283.10**	**54,003.27**	**33,547.36**	**34,006.64**	**26,885.11**

Financial Year 2017-18

(a) Cash Credit/Bank overdraft are secured by way of first pari-passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Loans availed by Samasta Microfinance Limited are secured by way of hypothecation of book debts and collaterals. Out of the total loans from Banks, loans amounting to ₹ 3,918.10 mn, are guaranteed by Holding Company - IIFL Holdings Limited.

(b) Borrowings under CBLO for 2017-18 are secured against government securities of face value ₹ 5,700.00 mn.

(c) Unexpired discount on Commercial Paper for 2017-18 is net of ₹ 525.27 mn towards discount accrued but not due.

Financial year 2016-17, 2015-16, 2014-15, 2013-14

(a) These are secured by way of first pari-passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Loans availed by Samasta Microfinance Limited are secured by way of hypothecation of book debts and collaterals. Out of the total loans from Banks, loans amounting to ₹ 5,450.67 mn for 2017, ₹ 4,770.45 mn for 2016, ₹ 5,658.68 mn for 2015, ₹ 3,747.56 mn for 2014 are guaranteed by Holding Company - IIFL Holdings Limited.

12. Trade payables:

(₹ In Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises					
- Sundry creditors for expenses	80.63	103.34	24.87	19.01	29.22
- Accrued salaries and benefits	51.81	28.31	224.93	195.26	164.60
- Provision for expenses	698.97	481.29	284.29	368.51	212.84
- Other payables	1.01	10.20	23.07	21.04	20.52
Total	**832.42**	**623.14**	**557.16**	**603.82**	**427.18**

12.1 Disclosure under The Micro, Small and Medium Enterprises Development Act, 2006

The following disclosure is made as per the requirement under The Micro, Small and Medium Enterprises Development Act, 2016 (MSMED) on the basis of confirmations sought from suppliers on registration with the specified authority under MSMED:

(₹ In Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Principal amount remaining unpaid to any supplier at the year end	-	-	-	-	-
Interest due thereon remaining unpaid to any supplier at the year end	-	-	-	-	-
Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-	-	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-	-	-	-
Amount of interest accrued and remaining unpaid at the year end	-	-	-	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Act	-	-	-	-	-

13. Other current liabilities:

(₹ In Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Current Maturities of Long Term Borrowings:	47,174.00	20,025.17	33,272.96	14,033.83	16,758.19
Sub-Total (A)	**47,174.00**	**20,025.17**	**33,272.96**	**14,033.83**	**16,758.19**
Other Payables					
Payable to group/subsidiary companies	-	2.09	0.00	6.87	2.88
Interest accrued but not due on borrowings	3,856.24	3,193.43	3,440.80	1,677.39	1,562.64
Debenture application money received pending allotment*	-	-	-	-	2,122.38
Payables on account of assignment / Securitization transaction	1,510.01	1,482.93	1,050.31	851.06	334.91
Temporary overdrawn Bank balance as per books	10,143.37	6,674.65	6,482.26	1,425.20	371.46
Advances from customers	1,197.83	2,075.38	655.51	982.38	635.32
Income received in advance	125.98	180.26	216.97	79.74	70.25
Statutory remittances	133.26	82.97	54.90	49.55	25.48
Gratuity payable to fund	4.30	7.20	5.29	2.04	39.82

Other payables (auction proceeds, retention payable, unclaimed NCD amount, mark to market payable, etc)	1,672.95	446.19	287.14	99.71	103.17
Sub-total (B)	**18,643.94**	**14,145.10**	**12,193.18**	**5,173.94**	**5,268.31**
Total (A+B)	**65,817.94**	**34,170.27**	**45,466.14**	**19,207.77**	**22,026.50**

Financial Year 2017-18

Note:

1. Other Payables Includes liability towards Credit Link Subsidy Scheme received from NHB of ₹ 1,091.87 mn and Mark to market payable (Net) ₹ 2.99 mn.
2. No amount was due for transfer to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013.
3. Gratuity payable to fund is gross of ₹ 0.99 mn included in prepaid expenses under loans and advances (Refer note 26.1).

Financial Year 2013-14

*During the year, the subsidiary successfully completed the public offering of unsecured, subordinated, redeemable, non-convertible debentures ("NCDs") aggregating to ₹ 2,000.00 mn (the "Issue"). The subsidiary has allotted the same on 3rd April 2014.

14. Tangible Assets:

(₹ In Millions)

Particulars	Computer	Electrical Equipment	Furniture And Fixture	Office Equipment	Premises	Vehicles	Land	Total
As at April 01, 2013	**133.22**	**321.00**	**712.20**	**312.09**	**0.09**	**-**	**-**	**1,478.60**
Additions/Adjustments	1.70	20.32	66.22	34.50	283.54	-	-	406.28
Deductions/Adjustments	(1.10)	(7.10)	(34.10)	(5.60)	-	-	-	(47.90)
As at March 31, 2014	**133.82**	**334.22**	**744.32**	**340.99**	**283.63**	**-**	**-**	**1,836.98**
Additions/Adjustments	2.10	19.94	47.75	14.09	2.35	5.50	-	91.73
Deductions/Adjustments	(3.62)	(4.24)	(35.89)	(4.81)	-	-	-	(48.56)
As at March 31, 2015	**132.30**	**349.92**	**756.18**	**350.27**	**285.98**	**5.50**	**-**	**1,880.15**
Additions/Adjustments	15.52	13.52	20.78	6.76	139.37	5.41	-	201.36
Deductions/Adjustments	(20.58)	(111.54)	(286.34)	(99.56)	-	-	-	(518.02)
As at March 31, 2016	**127.24**	**251.90**	**490.62**	**257.47**	**425.35**	**10.91**	**-**	**1,563.49**
Additions/Adjustments	62.13	18.71	32.36	14.29	-	-	0.86	128.35
Additions due to Subsidiary Acquisition	4.26	-	4.55	3.19	-	6.18	-	18.18
Deductions/Adjustments	(13.81)	(43.42)	(72.27)	(17.53)	-	(6.58)	-	(153.61)
As at March 31, 2017	**179.82**	**227.19**	**455.26**	**257.42**	**425.35**	**10.51**	**0.86**	**1,556.41**
Additions/Adjustments	129.63	30.32	115.24	35.78	-	1.04	-	312.01
Deductions/Adjustments	(30.27)	(37.68)	(72.92)	(27.02)	(2.35)	(3.00)	-	(173.24)
As at March 31, 2018	**279.18**	**219.83**	**497.58**	**266.18**	**423.00**	**8.55**	**0.86**	**1,695.18**
Depreciation								
As at April 01, 2013	**68.00**	**97.56**	**252.59**	**96.46**	**0.10**	**-**	**-**	**514.71**
Depreciation for the year	41.13	83.04	175.00	76.04	11.75	-	-	386.96
Deductions/Adjustments	(0.90)	(3.62)	(15.77)	(3.43)	-	-	-	(23.72)
As at March 31, 2014	**108.23**	**176.98**	**411.82**	**169.07**	**11.85**	**-**	**-**	**877.95**
Additions/Adjustments	21.92	71.84	138.26	65.75	14.26	0.24	-	312.27
Deductions/Adjustments	(3.43)	(3.02)	(29.48)	(3.62)	-	-	-	(39.55)
As at March 31, 2015	**126.72**	**245.80**	**520.60**	**231.20**	**26.11**	**0.24**	**-**	**1,150.67**
Additions/Adjustments	7.42	58.67	123.56	61.68	16.62	1.50	-	269.45
Deductions/Adjustments	(19.56)	(98.75)	(243.81)	(87.03)	-	-	-	(449.15)
As at March 31, 2016	**114.58**	**205.72**	**400.35**	**205.85**	**42.73**	**1.74**	**-**	**970.97**

Particulars	Computer	Electrical Equipment	Furniture And Fixture	Office Equipment	Premises	Vehicles	Land	Total
Additions/Adjustments	15.00	34.90	48.65	33.36	21.27	1.36	-	154.54
Additions due to Subsidiary Acquisition	4.26	-	2.70	2.43	-	2.58	-	11.97
Deductions/Adjustments	(13.54)	(40.58)	(65.51)	(16.09)	-	(1.91)	-	(137.63)
As at March 31, 2017	**120.30**	**200.04**	**386.19**	**225.55**	**64.00**	**3.77**	**-**	**999.85**
Additions/Adjustments	42.96	18.55	49.09	25.44	21.24	1.68	-	158.96
Deductions/Adjustments	(29.84)	(34.52)	(69.14)	(26.35)	(0.40)	(1.30)	-	(161.55)
As at March 31, 2018	**133.42**	**184.07**	**366.14**	**224.64**	**84.84**	**4.15**	**-**	**997.26**
Net Block								
March 31, 2014	**25.59**	**157.24**	**332.50**	**171.92**	**271.78**	**-**	**-**	**959.03**
March 31, 2015	**5.58**	**104.12**	**235.58**	**119.07**	**259.87**	**5.26**	**-**	**729.48**
March 31, 2016	**12.66**	**46.18**	**90.27**	**51.62**	**382.62**	**9.17**	**-**	**592.52**
March 31, 2017	**59.52**	**27.15**	**69.07**	**31.87**	**361.35**	**6.74**	**0.86**	**556.56**
March 31, 2018	**145.76**	**35.76**	**131.44**	**41.54**	**338.16**	**4.40**	**0.86**	**697.92**

15. Intangible Assets (Other than internally generated):

(₹ In Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Software (for own use)					
Gross Block					
Cost	19.34	8.21	6.25	6.25	5.94
Additions/adjustments	20.51	5.90	2.20	-	-
Additions due to Subsidiary Acquisition	-	5.23	-	-	-
Deductions/adjustments	-	-	(0.24)	-	0.31
Closing Gross Block	**39.85**	**19.34**	**8.21**	**6.25**	**6.25**
Amortisation					
Opening	13.27	5.99	6.13	6.03	5.84
Amortisation for the year	9.91	2.24	0.10	0.10	0.19
Additions due to Subsidiary acquisition	-	4.83	-	-	-
Deductions / adjustments during the year	-	0.21	(0.24)	-	-
Accumulated amortization	**23.18**	**13.27**	**5.99**	**6.13**	**6.03**
Net Block	**16.67**	**6.07**	**2.22**	**0.12**	**0.22**

16. Non – current investments:

(₹ In Millions)

articulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	Face Value		Face Value		Face Value		Face Value		Face Value	
Non Trade Investments(Valued at cost unless stated otherwise)										
Investment in equity shares (Fully paid) (Unquoted):										
Alpha Micro Finance	50,000.00	0.50	50,000.00	0.50						

articulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	Face Value		Face Value		Face Value		Face Value		Face Value	
Consultants Private Limited										
	10		*10*							
TransUnion CIBIL Limited (formerly, Credit Information Bureau (India) Limited)	250,000.00	155.00	250,000.00	155.00	250,000.00	155.00	250,000.00	155.00		-
	10		*10*		*10*		*10*			
Sub-total (A)		**155.50**		**155.50**		**155.00**		**155.00**		**-**
Investment in Alternative Investment Funds (Unquoted)										
IIFL Income Opportunities Fund Class B		-	932,923.14	7.65		-		-		-
			7.7648							
IIFL Income Opportunities Fund Class S		-	10,278,484.68	79.65		-		-		-
			7.7648							
IIFL Income Oppurtunities Fund		-	58,351,969.68	34.41		-		-		-
			0.7693							
IIFL National Development Agenda Fund		-	9,713,023.97	85.00		-		-		-
			8.4710							
IIFL Real Estate Fund (Domestic) Series 1 Class C		-	7,500,000.00	186.50		-		-		-
			15.9627							
IIFL Income Opportunities Fund - Series Regular Income		-	400,000,000.00	4,000.00		-		-		-
			10.00							
Sub-total (B)		**-**		**4,393.21**		**-**		**-**		**-**
Investment in Mutual Funds (Unquoted):										
IIFL India Growth Fund-Direct Plan- Growth		-	4,562,418.47	50.00	4,562,418.47	50.00		-		-
			10		*10*					
Sub-total (C)		**-**		**50.00**		**50.00**		**-**		**-**
Investment in Non Convertible Debentures for financing real estate projects(Unquoted):										
Assotech Limited	-	-	520.00	52.00	2,600.00	260.00	4,680.00	468.00	4,160.00	416.00
			100,000		*100,000*		*100,000*		*100,000*	
Arch Agro Industries Limited		-		-	13,073.00	130.73	13,073.00	130.73	13,073.00	130.73
					10,000		*10,000*		*10,000*	
Radius & Deserve Land Developers Private Limited - Series E	-	-	120.00	120.00	120.00	120.00		-		-
			1,000,000		*1,000,000*					
Neptune Developers Limited		-		-		-		-	800.00	80.00
									100,000	
Pratibha Impex Private Limited		-		-		-		-	100.00	10.25
									100,000	

articulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	Face Value		Face Value		Face Value		Face Value		Face Value	
Roseberry Developers Private Limited	9,500.00	950.00		-		-	2,400.00	240.00	3,200.00	320.00
	100,000						*100,000*		*100,000*	
Roseberry Developers Private Limited (Series B)		-		-	1,516.00	100.00	3,000.00	300.00	4,500.00	450.00
					65,981		*100,000*		*100,000*	
Ruchi Priya Developers Private Limited	-	-	10,000.00	652.37	4,000.00	400.00	7,425.00	742.50	6,000.00	600.00
			60,000		*100,000*		*100,000*		*100,000*	
Sankalp Siddhi Developers Pvt Ltd		-		-		-		-	3,011.00	301.10
									100,000	
Shambhavi Realty Private Limited		-		-		-	959.19	95.92	6,074.00	607.40
							100,000		*100,000*	
Sheth Buildwell Private Limited		-		-	4,000.00	400.00	2,580.00	258.00	51.00	5.10
					100,000		*100,000*		*100,000*	
Sumit Realty Private Limited		-		-		-		-	1,050.00	105.00
									100,000	
Sutlej Housing Private Limited		-		-		-	700.00	70.00	1,000.00	100.00
							100,000		*100,000*	
Nuevo Suncity Private Limited	7,389	738.88	7,388.89	738.89	9,500.00	950.00		-		-
	100,000		*100,000*		*100,000*					
Parinee Realty Private Limited		-		-	16,320.00	1,631.99	3,723.00	372.27		-
					100,000		*100,000*			
Renaissance Indus Infra Private Limited	-	-	164.13	16.41	2,634.00	34.59	10,000.00	1,000.00		-
			100,000		*13,131*		*100,000*			
Galleria Developers Private Limited (Series C)		-		-		-	857.00	85.72		-
							100,000			
Wadhwa Group Holding Private Limited		-		-		-	11,500.00	1,150.00		-
							100,000			
Rajesh Habitat Private Limited	56	281.26	90.00	450.00		-		-		-
	5,000,000		*5,000,000*							
Spenta Suncity Private Limited - Series A	1,250.00	125.00	2,000.00	200.00		-		-		-
	100,000		*100,000*							
Shree Siddhivinayk Realhomes Private Limited	-	-	9,525.00	952.50		-		-		-
			100,000							
Gulam Mustafa Enterprises Private Limited	-	-	17,016.00	1,701.60		-		-		-
			100,000							
Alisa Infratech Private Limited - Series A	950.00	950.00	700.00	700.00		-		-		-
	1,000,000		*1,000,000*							
Janapriya Engineers Syndicate Private Limited	9,100.00	910.00		-		-		-		-
	100,000									
Zerkalo Properties Private Limited	8,450.00	845.00		-		-		-		-
	100,000									
Radius Infra Holdings Private Limited	8,499.00	849.90		-		-		-		-

articulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	Face Value		Face Value		Face Value		Face Value		Face Value	
	100,000									
Cushion Realty Private Limited	8,800.00	880.00		-		-		-		-
	100,000									
Spenta Sun City Private Limited	23,333.00	2,333.30		-		-		-		-
	100,000									
Radius & Deserve Land Developers Private Limited	11,500.00	1,150.00		-		-		-		-
	100,000									
Alisa Infratech Private Limited - Series B,C & D	1,000.00	1,000.00		-		-		-		-
	1,000,000									
Magic Eye Developers Private Limited	1,000.00	100.00		-		-		-		-
	100,000									
Less: Provision for dimunition in the value of investment		-		-		(26.15)		(26.15)		-
Sub-total (D)		**11,113.34**		**5,583.77**		**4,001.16**		**4,886.99**		**3,125.58**
Investment Property		2,451.14		504.06		-		-		-
Sub-total (E)		**2,451.14**		**504.06**		**-**		**-**		**-**
Market Linked Debenture										
Reliance Capital Limited (Refer note 16.2)		-		-	508	50.80	448.00	44.80	448.00	44.80
					100,000		*100,000*		*100,000*	
Sub-total (F)		**-**		**-**		**50.80**		**44.80**		**44.80**
12.75% IIFL - 2018 - Series N6		-		-		-	1,085.00	1.23		-
							1,000			
12.75% IIFL - 2018 - Series N7		-		-		-	261.00	0.33		-
							1,000			
Sub-total (G)		**-**		**-**				**1.56**		**-**
Grand Total (A+B+C+D+E+F+G)		**13,719.98**		**10,686.54**		**4,256.96**		**5,088.35**		**3,170.38**

16.1 In financial Year 2017-18,the Company acquired 100% equity shares of Clara Developers Private Limited as well as title of the land towards satisfaction of dues given to Assotech Limited. The land was acquired vide sale deed dated March 30, 2018, from IDBI Trusteeship Services Private Limited, the security trustee for the underlying loan, under the provisions of The Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (SARFAESI). The land along with all rights including development rights and possession etc. now reside with the Company.

16.2 Held to cover possible payout in respect of certain products issued by the company.

17. Deferred tax assets (net):

(₹ In Millions)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Deferred Tax Asset					
a.	On Depreciation	249.18	260.35	264.56	209.34	149.23
b.	On Employee benefits	36.77	2.55	1.82	0.70	13.54
c.	On Provisions	1,492.98	1,089.26	804.19	660.89	350.92

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
	Gross Deferred Tax Asset (A)	**1,778.93**	**1,352.16**	**1,070.57**	**870.93**	**513.69**
	Deferred Tax Liability					
a.	Special Reserve	(313.07)	(185.95)	(104.16)	(42.05)	-
b.	Provision for doubtful debts	(73.56)	(24.16)	-	-	-
	Gross Deferred Tax Liability (B)	**(386.63)**	**(210.11)**	**(104.16)**	**(42.05)**	**-**
	Net Deferred Tax Asset (A-B)	**1,392.30**	**1,142.05**	**966.41**	**828.88**	**513.69**

Financial Year 2017-18

In compliance with Accounting Standard 22 on 'Accounting for Taxes on Income' notified under the Companies (Accounting Standard) Rules, 2014, the Company has taken credit of ₹ 250.24 mn in the Statement of Profit and Loss towards deferred tax asset on account of timing differences.

18. Loans & advances:

(₹ In Millions)

Particulars	Non Current					Current				
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Loans & Advances										
- Secured, Considered Good	158,819.86	121,715.11	89,444.60	49,743.37	38,590.52	73,689.24	56,378.32	79,623.54	87,234.58	62,359.43
- Secured, Considered Doubtful	1,396.02	2,002.55	1,658.27	1,560.26	531.86	1,521.32	672.24	148.68	233.16	385.70
- Unsecured, Considered Good	12,174.55	1,790.10	-	-	-	13,815.71	2,690.68	220.63	-	-
- Unsecured, Considered Doubtful	68.47	5.73	41.29	-	-	110.85	62.26	-	-	-
Sub-total (I)	**172,458.90**	**125,513.49**	**91,144.16**	**51,303.63**	**39,122.38**	**89,137.12**	**59,803.50**	**79,992.85**	**87,467.74**	**62,745.13**
Less : Provision for Non Performing Loans (II)	(1,279.85)	(1,741.61)	(1,073.15)	(747.98)	(153.48)	(1,281.24)	(663.65)	(517.74)	(321.80)	(423.20)
Sub-total (I+II) (A)	**171,179.05**	**123,771.88**	**90,071.01**	**50,555.65**	**38,968.90**	**87,855.88**	**59,139.85**	**79,475.11**	**87,145.94**	**62,321.93**
Others loans & advances										
Dues from Customers:										
-Secured, Considered Good	-	-	-	-	-	3,046.48	1,737.43	2,581.17	5,000.42	3,011.13
-Secured, Considered Doubtful	-	-	-	-	-	1,574.08	767.48	684.93	57.93	21.50
-Unsecured, Considered Good	-	-	-	-	-	106.88	20.30	-	5.73	17.78
-Unsecured, Considered Doubtful	-	-	-	-	-	61.45	7.75	8.17	-	-
Unsecured, Considered Good	-	-	-	-	-	-	-	-	-	-
Security Deposits	207.89	228.87	159.46	181.00	179.47	70.69	19.86	65.00	55.00	55.00
Inter corporate deposit–Unsecured	-	-	-	-	-	-	-	-	35.00	235.00
Deposit with CCIL	32.10	2.00	2.00	-	-	-	-	-	-	-
Staff Loans	-	-	-	-	-	1.48	1.63	1.69	1.55	0.65
Prepaid expenses	26.82	59.05	50.02	68.86	-	126.48	92.24	145.92	132.46	178.24
Service tax input credit	-	-	-	-	-	-	13.76	-	3.03	29.90
Capital advance	417.06	-	-	11.07	12.18	-	-	-	-	-

Advance Income Tax (Refer note 18.4)	1,341.58	1,300.97	1,013.23	576.73	-	-	-	-	-	-
MAT Credit	-	1.34	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	29.07	30.58	18.55	12.87	5.54
Sub-total (B)	**2,025.45**	**1,592.23**	**1,224.71**	**837.66**	**191.65**	**5,016.61**	**2,691.03**	**3,505.43**	**5,303.99**	**3,554.74**
Total (A+B)	**173,204.50**	**125,364.11**	**91,295.72**	**51,393.31**	**39,160.55**	**92,872.49**	**61,830.88**	**82,980.54**	**92,449.93**	**65,876.67**

18.1 For the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31 2015 and March 31, 2014 secured Loans were secured by way equitable mortgage of property, pledge of shares, hypothecation of assets, Company/personal Guarantees, physical gold, undertaking to create security.

18.2 The Company during the year 2017-18 has acquired an existing capital advance portfolio from M/S IIFL Management Services Limited (IIFLMSL), a fellow subsidiary of the Company. IIFLMSL has been underwriting affordable residential units with recognised developers in past, but IIFLMSL is now in the process of winding down the broking business and is finding it challenging to manage this book. The Company, being in the business of financing and having contact with the developers, is in a better position to manage this book and has therefore acquired the portfolio from IIFLMSL, which shall be repaid by the developers through their cash flows or sales at regular rests with a fixed rate of return. The Company is in the process of obtaining requisite no objection certificates / agreements from the respective developers/ builders for transferring said allotments letters in its name.

18.3 Prepaid expenses includes funded gratuity amounting to ₹ 0.99 mn for financial year 2017-18.(also refer note 26.1).

18.4 Advance Income Tax is Net of Provision for Tax as below

(₹ In Millions)

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Provision for Tax	8,610.96	7,157.52	3,297.35	3,200.93	3,706.28

19. Other Assets:

(₹ In Millions)

Particulars	Non Current					Current				
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Unamortized debenture issue expenses	56.49	63.94	82.05	113.45	253.31	62.37	70.17	72.49	143.63	108.75
Fixed deposits with banks (Refer note below 19.1)	1,544.45	473.36	411.35	220.56	2.02	-	-	-	-	-
Insurance claim & other receivables	-	-	-	-	-	212.31	163.25	106.35	106.48	1.83
Receivables from Securitization / Assignment	-	-	-	-	-	33.47	-	-	-	-
Accrued Interest on Fixed Deposits	-	-	-	-	-	97.45	79.87	22.93	16.14	7.48
Accrued Income on Loans	-	-	-	-	-	3,985.80	2,358.87	1,680.01	1,964.87	893.73
Accrued Interest on Investments	-	-	-	-	-	159.66	240.87	29.52	57.15	72.78
Receivable from group company	-	-	-	-	-	7.42	-	(0.01)	-	-
Others	-	-	-	-	-	29.21	36.05	0.95	95.54	115.20
Total	**1,600.94**	**537.30**	**493.40**	**334.01**	**255.33**	**4,587.69**	**2,949.08**	**1,912.24**	**2,383.81**	**1,199.77**

19.1. Details of Fixed Deposits:

(₹ In Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Lien marked	730.87	103.95	75.60	21.54	0.02
Margin for credit enhancement	556.07	298.30	335.75	199.02	2.00
Other deposits	257.51	71.11	-	-	-
Total	**1,544.45**	**473.36**	**411.35**	**220.56**	**2.02**

20. Current Investments (Valued at lower of cost and market value, unless stated otherwise):

(₹ In Millions)

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount
Current maturities of long term investments (At cost)										
Investment in Alternative Investment Funds (fully paid) (unquoted):										
IIFL Income Opportunities Fund- Special Situation Class B	932,923.14	5.03		-		-		-		-
	4.6570									
IIFL Income Opportunities Fund- Special Situation Class S	10,278,484.68	50.79		-		-		-		-
	4.6570									
Sub-total (A)		**55.82**		-		-		-		-
Investment in mutual funds (unquoted):										
IIFL India Growth Fund-Direct Plan-Growth	4,562,418.45	50.00		-		-		-		
	10									
Sub-total (B)		**50.00**		-		-		-		-
Investment in Non Convertible Debentures for financing real estate projects (unquoted):										
Radius & Deserve Land Developers Private Limited - Series E	120.00	120.00		-		-		-		-
	1,000,000									
Galleria Mall Developers Pvt Ltd Series C		-		-		-		-	2,285.60	228.56

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount
									100,000	
Rajesh Habitat Private Limited	34	168.75		-		-		-		-
	5,000,000									
Spenta Suncity Private Limited - Series A	750.00	75.00		-		-		-		-
	100,000									
Assotech Limited		-		-	2,459.00	245.88	520.00	52.00		-
					100,000		*100,000*			
Neptune Developers Limited		-		-		-		-	800.00	80.00
									100,000	
Rennaissance Indus Infra Pvt Ltd		-		-	492.00	49.24		-		-
					100,000					
Sheth Buildwell Private Ltd		-		-	25.00	2.49		-		-
					100,000					
Pratibha Impex Private Ltd		-		-		-	137.00	13.67	307.50	30.75
							100,000		*100,000*	
Roseberry Developers Pvt Ltd Series B		-		-	2,000.00	200.00	2,000.00	200.00	500.00	50.00
					100,000		*100,000*		*100,000*	
Roseberry Developers Pvt Ltd		-		-	2,905.00	85.53	1,600.00	160.00	800.00	80.00
					29,443		*100,000*		*100,000*	
Sumit Realty Private Limited		-		-		-		-	3,150.00	315.00
									100,000	
Sankalp Siddhi Developers Private Ltd		-		-		-		-	3,157.80	315.78
									100,000	
Ruchi Priya Developers Pvt Ltd		-		-	4,000.00	400.00	2,000.00	200.00		-
					100,000		*100,000*			
Sutlej Housing Private Limited		-		-		-	300.00	30.00		-
							100,000			
Parinee Realty Private Limited		-		-		-		-		-
Sub-total (C)		**363.75**		**-**		**983.14**		**655.67**		**1,100.09**

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount
Total current maturities of long term investments (A+B+C) {I}		**469.57**		**-**		**983.14**		**655.67**		**1,100.09**
Non Trade Investments (Quoted)										
Investment in Bonds:										
8.10% HUDCO-2022		-		-		-		-	2,000.00	1.93
									1,000	
8.41% IIFCL-2024		-		-		-		-	15,000.00	15.22
									1,000	
8.48% IIFCL-2028		-		-		-		-	21.00	21.72
									1,000,000	
8.48% IRFC-2028		-		-		-		-	50.00	51.38
									1,000,000	
8.50% NHAI-2029		-		-		-		-	15,000.00	15.04
									1,000	
8.63% NHB-2029		-		-		-		-	7,524.00	38.26
									5,000	
8.41% NTPC-2023		-		-		-		-	8,422.00	8.62
									1,000	
8.67% PFC-2023		-		-		-		-	44,000.00	45.16
									1,000	
7.35% NHAI – 2031	130,000.00	142.52	203,649.00	223.25	105,974.00	109.57		-		-
	1,000		*1,000*		*1,000*					
8.48% NHAI – 2028		-		-		-	90.00	98.39		-
							1,000,000			
9.25% DHFL - 2023	768,843.00	756.76	768,843.00	756.77		-		-		-
	1,000		*1,000*							
11.52% IIHFL Series N1 - 2018	-	-	*178.00*	*0.19*						
			1,000							
12.75% IIFL – 2018		-		-		-		-	205,400.00	205.40
									1,000	
12.00% IIFL – 2018	-	-	1,127.00	1.13						-
			1,000							
Sub-total (D)		**899.28**		**981.34**		**109.57**		**98.39**		**402.73**
IRB InvIT Fund (E)	19,110,000.00	**1,909.09**		**-**		**-**		**-**		**-**
	99.90									
Total Quoted Investment (D+E) {II}		**2,808.37**		**981.34**		**109.57**		**98.39**		**402.73**

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount
Non Trade Investments (Unquoted)										
Investment in Government Securities: (Refer Note 11)	57,000,000	5,726.85	85,500,000	8,620.93		-	15,000,000	1,479.90	500,000	450.50
	100		*100*				*100*		*100*	
Investment in Alternative Investment Funds (fully paid) (unquoted):										
Indiareit Apartment Fund - Class B	66.43	6.64	85.82	9.64	96.00	10.61		-		-
	100,000		*100,000*		*100,000*					
IIFL Income Opportunites Fund		-		-	58,351,970.00	69.78	9,890,182.00	102.91	8,530,293.00	85.56
					1		*1*		*1*	
IIFL National Development Agenda Fund		-		-	9,713,024.00	100.00	9,713,024.00	100.00		-
					10		*10*			
IIFL Income Opportunites Fund- Special Situation Class B		-		-	25,542,335.00	275.02	5,857,833.00	59.53		-
					10		*10*			
IIFL Real Estate Fund(Domestic) Series 1 Class B*		-		-		-	214.00	0.00		-
							10			
IIFL Real Estate Fund(Domestic) Series 1 Class C		-		-	7,500,000.00	186.50	7,500,000.00	554.54		-
					57		*57*			
Subtotal (G)		**6.64**		**9.64**		**641.91**		**816.98**		**85.56**
Investment in mutual funds (Unquoted):										
Reliance Fixed Horizon Fund		-	214,609.00	2.14		-	20,000,000.00	200.00		-
			10				*10*			
Kotak Bond Plan A		-		-	8,438,732.00	337.95	12,114,297.00	483.30		-
					10		*10*			
HDFC monthly Income Plan-Long Term Plan-Growth		-		-	13,781,672.00	393.33	17,878,898.00	508.30		-
					10		*10*			
Birla Sunlife Income Plus Growth		-		-	5,638,900.00	355.48	7,493,687.00	470.80		-

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount
					10		*10*			
ICICI Prudential Gilt Fund		-		-	13,703,744.00	380.99		-		-
					10					
ICICI Prudential Value fund series 6 (Div)		-		-		-	500,000.00	5.00		-
							10			
ICICI Prudential Value fund series 6 (G)		-		-		-	2,500,000.00	25.00		-
							10			
ICICI Prudential Regular Income Fund-D	953,852	10.22	*570,337.00*	9.75		-		-		-
	10		*10*		*10*		*10*		*10*	
Birla Sunlife Fixed Term Plan SR IP Regular		-		-		-	3,500,000.00	38.76		-
							10			
HDFC FMP SR 30		-		-		-		-	42,300,000.00	423.00
									10	
HDFC FMP SR 27		-		-		-		-	5,097,100.00	52.85
									10	
JP Morgan Mutual Fund		-		-		-		-	9,307,871.00	97.80
									10	
IIFL India Growth Fund-Direct Plan-Growth		-		-		-	11,230,487.00	120.00		-
							10			
DWS Ultra Short Term Fund (Refer note I)		-		-		-	73,501,223.00	1,130.00	46,634,954.00	700.00
							10		*10*	
IIFL Short term Income fund		-		-		-		-	1,000,000.00	10.00
									10	
IIFL Liquid Fund Regular Growth		-		-		-	8,986.00	10.00		-
							1,000			
Pramerica Fixed Duration Fund SR5		-		-		-		-	40,000.00	43.80
									1,000	
Subtotal (H)		**10.22**		**11.89**		**1,467.75**		**2,991.16**		**1,327.45**

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount
Investment in Non Convertible Debentures for financing real estate projects (unquoted):										
Assotech Limited		-	2,080.00	208.00		-		-	1,040.00	104.00
			100,000						*100,000*	
Galleria Mall Developers Pvt Ltd		-		-		-		-	3,378.40	337.84
									100,000	
Roseberry Developers Private Limited		-	1,000.00	100.00		-		-		-
			100,000							
Nuevo Suncity Private Limited	2,111	211.11	2,111.11	211.11		-		-		-
	100,000		*100,000*							
Wadhwa Constructions & Infrastructure Pvt Ltd		-		-		-	5,000.00	500.00	5,000.00	500.00
							100,000		*100,000*	
Wadhwa Group Holdings Pvt Ltd		-		-		-		-	11,500.00	1,150.00
									100,000	
Parinee Realty Private Limited		-		-		-	6,027.27	602.72		-
							100,000			
Renaissance Indus Infra Private Limited		-	656.53	65.65		-		-		-
			100,000							
Sub Total (I)		**211.11**		**584.76**		**-**		**1,102.72**		**2,091.84**
Investment in Market Linked Debentures (unquoted):										
Reliance Capital Limited (Refer note II)		-	60.00	6.00		-		-		-
			100,000							
8.65% IIFL Series 39 Type I - 2018		-	10.00	10.00		-		-		-
			1,000,000							
8.65% IIFL Series 40 - 2018		-	15.00	15.00		-		-		-
			1,000,000							

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount
8.65% IIFL Series 41 Type I – 2018		-	35.00	35.00		-		-		-
			1,000,000							
8.65% IIFL Series 41 Type II - 2018		-	3.00	3.00		-		-		-
			1,000,000							
8.65% IIFL Series 42 Type I - 2018		-	25.00	25.00		-		-		-
			1,000,000							
8.65% IIFL Series 41 Type III – 2018		-	50.00	50.00		-		-		-
			1,000,000							
Subtotal (J)		**-**		**144.00**		**-**		**-**		**-**
Preference Shares										
16.06% - IL&FS Limited		-		-		-		-	2,256.00	28.20
									7,500	
Subtotal (K)		**-**		**-**		**-**		**-**		**28.20**
Total Unquoted Investment (F+G+H+I+J+K) {III}		**5,954.82**		**9,371.22**		**2,109.66**		**6,390.76**		**3,983.55**
Total {I+II+III}		**9,232.76**		**10,352.56**		**3,202.37**		**7,144.82**		**5,486.37**
Less: Diminution in the value of Investments		(366.30)		(1.06)		-		-		(11.75)
Grand Total		**8,866.46**		**10,351.50**		**3,202.37**		**7,144.82**		**5,474.62**
Aggregate cost of unquoted mutual fund units		60.22		11.89		1,467.75		2,991.16		1,327.45
Market value of unquoted mutual fund units (Refer note III)		76.17		11.96		1,544.99		3,100.67		1,349.58
Aggregate cost of quoted investments		2,808.37		981.34		109.57		98.39		402.73
Aggregate market value of quoted investments		2,493.31		1,042.38		108.99		98.18		199.42
Aggregate cost of unquoted investments		6,364.17		9,359.33		1,625.05		4,055.27		3.756.19

I. Investment in units of DWS mutual fund made by the company is subject to pledge/Lien of deutsche bank for overdraft facility provided to IIFL Reality Limited., the fellow subsidiary for F.Y. 2014-15
II. Held to cover possible payout in respect of certain structured products issued by the Company.
III. Market value of investments in unquoted mutual fund units represents the repurchase price of the units issued by the mutual funds.
*amount is less than ₹ 0.01 mn , hence shown as ₹ 0.00 mn wherever applicable.

21. Inventories (Valued at lower of cost or net realisable value):

(₹ in Millions)

Particulars		As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Options*	**Strike Price**										
Nifty Call 26-06-2014	4,500	-	-	-	-	-	-	-	-	13,550	15.51
Nifty Call 26-06-2014	4,600	-	-	-	-	-	-	-	-	9,000	10.62
Nifty Call 26-06-2014	6,500	-	-	-	-	-	-	-	-	(10,000)	(2.95)
Sub-total			-		-		-		-		**23.18**
Non Convertible Debentures*	**Face Value**										
Equity linked non convertible debentures of Macquarie Finance (India) Private Limited	100,000	-	-	-	-	-	-	-	-	473	47.30
Sub-total			**-**		**-**		**-**		**-**		**47.30**
Total			**-**		**-**		**-**		**-**		**70.48**
Aggregate market value			-		-		-		**-**		**133.83**

*Held to cover possible payout in respect of certain structured products issued by the Company.

22. Trade receivables:

(₹ In Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Trade receivables outstanding for a period exceeding six months from the date they were due for payment					
- Considered good	-	-	-	-	-
- Considered doubtful	-	-	-	-	-
Trade receivables outstanding for a period less than six months from the date they were due for payment					
- Considered good	341.18	1,730.37	1,073.61	427.79	731.72
- Considered doubtful	-	-	-	-	-
Total	**341.18**	**1,730.37**	**1,073.61**	**427.79**	**731.72**

23. Cash and cash equivalents:

(₹ In Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Cash and Cash Equivalents					
Cash on hand	235.05	140.20	126.75	445.39	225.87
Cheques and drafts on hand	75.10	-	-	-	-
Balance with Banks:					
- In Current accounts	4,232.34	10,155.58	3,989.25	7,858.59	5,405.10
Cash and Cash Equivalents (As per AS -3 Cash Flow Statement) Subtotal (A)	**4,542.49**	**10,295.78**	**4,116.00**	**8,303.98**	**5,630.97**
Other Banks Balances:					
Balance with Banks in earmarked accounts towards unclaimed amount on NCD	238.02	242.72	35.06	9.30	985.57

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Deposits with original maturity for more than three months but less than twelve months	-	-	-	-	-
a) Pledged with banks as margin for credit enhancement/ guarantees for credit enhancement/ lien against loans taken	8,760.80	8,904.08	1,856.65	2,323.83	1,433.67
b) Other Deposits	5.00	454.71	29.09	25.08	54.06
Subtotal (B)	**9,003.82**	**9,601.51**	**1,920.80**	**2,358.21**	**2,473.30**
Total (A + B)	**13,546.31**	**19,897.29**	**6,036.80**	**10,662.19**	**8,104.27**

23.1. Details of Fixed Deposits:

(₹ In Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Lien marked	6,151.60	6,395.76	441.24	1,364.71	585.27
Margin for credit enhancement	2,609.20	2,508.32	1,415.41	959.12	848.40
Other deposits	5.00	454.71	29.09	25.08	54.06
Total	**8,765.80**	**9,358.79**	**1,885.74**	**2,348.91**	**1,487.73**

24. Revenue from Operations:

(₹ In Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013- 2014
Income from Financing activities					
Interest Income	**33,905.58**	**28,699.72**	**24,694.57**	**22,444.85**	**17,332.46**
- Interest on loans	33,186.63	27,807.01	23,970.11	22,332.62	17,220.41
- Interest on investments	718.95	892.71	724.46	112.23	112.05
Others	293.20	(152.20)	238.22	63.56	129.19
Other Financial Services:					
- Processing fees (net) (Refer note 24.1)	783.38	388.98	474.04	280.09	268.43
- Administration fee & other charges from customer	1,270.15	727.80	693.45	299.68	207.95
Profit on sale of current investments	1,030.67	1,181.94	772.79	286.91	269.31
Profit on sale of non current investments	46.45	55.87	-	-	-
Interest on fixed deposits with Banks	670.57	512.59	211.04	170.45	86.72
Dividend income on current investments	0.47	2.51	-	-	-
Dividend income on non current investments	4.91	4.03	3.75	116.44	83.63
Insurance Income	149.28	-	-	-	-
Total	**38,154.66**	**31,421.24**	**27,087.86**	**23,661.98**	**18,377.69**

24.1 Processing fees includes:

(₹ In Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013- 2014
Processing fees	1,359.39	866.58	804.32	506.83	492.70
Less: DSA and other sourcing cost	(576.01)	(477.60)	(330.28)	(226.74)	(224.27)
Total	**783.38**	**388.98**	**474.04**	**280.09**	**268.43**

25. Other Income:

(₹ In Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013- 2014
Advisory and fee based income	352.88	253.57	100.98	117.36	426.04
Interest on Income Tax refund	10.03	-	-	18.72	-
Profit on sale of fixed assets (net)	0.75	-	-	-	-
Miscellaneous income	51.31	5.26	126.88	0.01	0.04
Total	**414.97**	**258.83**	**227.86**	**136.09**	**426.08**

26. Employee Benefits Expense:

(₹ In Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013- 2014
Salaries	4,264.62	3,059.78	2,459.72	1,998.80	1,585.06
Contribution to :					
- Provident and other funds	189.59	127.36	112.64	78.10	30.00
- Gratuity (Refer note 26.1)	44.81	29.65	21.30	5.51	10.62
Staff welfare expenses	112.76	86.00	88.60	72.46	41.56
Total	**4,611.78**	**3,302.79**	**2,682.26**	**2,154.87**	**1,667.24**

26.1 Disclosures pursuant to Accounting Standard (AS) 15 on "Employee Benefits":

(₹ In Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Assumptions					
Discount rate	7.18% - 7.80%	6.80% - 7.72%	7.84%	7.89%	9.14%
Salary escalation	7% - 8%	5% - 7%	5.00%	5.00%	5.00%
Rate of return on plan assets	7.18% - 7.80%	6.80% - 7.72%	7.84%	7.89%	8.70%
Attrition rate – IIFL & IIHFL	For service 4 years and below 28% - 35% p.a. & thereafter 1% - 2% p.a	For service 4 years and below 25% - 28% p.a. & thereafter 10% p.a	For service 4 years and below 25% p.a. & thereafter 10% p.a	For service 4 years and below 25% p.a. & thereafter 10% p.a	15% p.a. for all service groups
Attrition rate – Samasta	24%	24%	-	-	-
Mortality rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Change in Benefit Obligation					
Liability at the beginning of the year	88.34	58.28	46.83	42.77	30.45
Interest cost	6.01	4.78	3.70	3.90	2.42
Current service cost	22.41	16.05	14.17	15.04	14.38
Past service cost-vested benefit incurred during the period	(1.83)	-	-	-	-
Liability transferred in	3.28	6.89	5.21	2.62	3.84
Liability transferred out	(2.31)	(2.24)	(3.44)	(0.74)	(0.19)
Benefit paid directly by the employer	(0.02)	(0.07)	-	-	-
Benefit paid from the fund	(11.74)	(8.28)	(13.02)	(3.70)	(2.39)
Actuarial (Gains)/ Loss on obligations - due to change in demographic assumptions	(23.48)	-	-	(13.59)	(6.43)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Actuarial (Gains)/ Loss on obligations - due to change in financial assumptions	30.10	8.91	1.30	0.24	0.69
Actuarial (Gains)/ Loss on obligations - due to experience	15.09	4.02	3.53	0.29	-
Liability at the end of the year	**125.85**	**88.34**	**58.28**	**46.83**	**42.77**
Change in Fair Value of Plan Assets					
Fair value of plan assets at the beginning of the year	81.14	52.98	44.79	2.95	4.90
Expected return on plan assets	5.52	4.24	3.54	0.24	0.42
Contributions by the Group	49.15	32.33	19.81	45.17	-
Benefits paid from the fund	(11.74)	(8.28)	(13.02)	(3.70)	(2.39)
Actuarial gains/(losses) on plan assets	(1.52)	(0.13)	(2.14)	0.13	0.02
Fair value of plan assets at the end of the year	**122.55**	**81.14**	**52.98**	**44.79**	**2.95**
Amount recognised in the Balance Sheet					
Present value of benefit obligation at the end of the year	(125.85)	(88.34)	(58.28)	(46.83)	(42.77)
Fair value of plan assets at the end of the year	122.55	81.14	52.98	44.79	2.95
Funded status (deficit)	(3.31)	(7.20)	(5.30)	(2.04)	(39.82)
Liability recognised in the Balance Sheet under "Other Current Liabilities"	(4.30)	(7.20)	(5.30)	(2.04)	(39.82)
Assets recognised in the Balance Sheet under "Loans and Advances"	0.99	-	-	-	-
Net liability/ assets recognised in the Balance Sheet under "Other Current Liabilities" and "Loans and Advances"	(3.31)	(7.20)	(5.30)	(2.04)	(39.82)
Expense recognised in the Statement of Profit and Loss under "Employee Benefits Expense"					
Interest cost	0.49	0.54	0.16	3.66	2.00
Current service cost	22.41	16.05	14.17	15.04	14.38
Actuarial losses	23.24	13.06	6.97	(13.19)	(5.76)
Past service cost-vested benefit incurred during the period	(1.33)	(0.00)*			
Expense recognised in the Statement of Profit and Loss	44.81	29.65	21.30	5.51	10.62
Balance Sheet reconciliation					
Opening net liability	7.20	5.30	2.04	39.82	25.55
Expense recognised in the Statement of Profit and Loss	44.81	29.65	21.30	5.51	10.62
Net liability transferred in	3.28	6.89	5.21	2.62	3.84
Net liability transferred out	(2.31)	(2.24)	(3.44)	(0.74)	(0.19)
Benefits directly paid by employer	(0.02)	(0.07)	-	-	-
Employers contribution	(49.65)	(32.33)	(19.81)	(45.17)	-
Liability recognised in the Balance Sheet under "Other Current Liabilities"	(4.30)	7.20	5.30	2.04	39.82
Assets recognised in the Balance Sheet under "Loans and Advances"	0.99	-	-	-	-
Net liability/ Assets recognised in the Balance Sheet under "Other Current Liabilities" and "Loans and Advances"	**(3.31)**	**(7.20)**	**(5.30)**	**(2.04)**	**(39.82)**

*amount is less than ₹ 0.01 mn, hence shown as ₹ 0.00 mn wherever applicable

(₹ In Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Experience Adjustment:					
Liability at the end of the year	(125.85)	(88.34)	(58.28)	(46.83)	(42.77)
Fair value of plan assets at the end of the year	122.55	81.14	52.98	44.79	2.95
Funded status (Surplus/(Deficit))	(3.31)	(7.20)	(5.30)	(2.04)	(39.82)
Experience adjustment on plan liabilities	15.10	4.02	3.53	0.29	-
Experience adjustment on plan assets	(1.51)	(0.13)	(2.14)	0.13	0.02

Financial Year 2017-18

a) The estimate of future salary increase, considered in the actuarial valuation, takes into account inflation, seniority, promotion, increments and other relevant factors.
b) Estimated amount of payment in respect of gratuity to the fund will be ₹ 33.63 mn in F.Y 2018-2019.
c) Information for major category of plan assets of gratuity fund is not available with the Group and hence not disclosed as per the requirements of AS-15.

Financial year 2016-17, 2015-16, 2014-15 and 2013-14

a)The estimate of future salary increase, considered in the actuarial valuation, takes into account inflation, seniority, promotion, increments and other relevant factors.
b) Information for major category of plan assets of gratuity fund is not available with the Company and hence not disclosed as per the requirements of AS-15

26.2 Defined contribution plans:

The Group has recognised the following amounts as expense in the Statement of Profit and Loss: **(₹ In Millions)**

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Contribution to provident fund	80.27	56.62	53.31	32.10	3.06
Contribution to ESIC	45.00	18.92	17.20	21.45	20.93
Contribution to labour welfare fund	0.29	0.21	0.20	0.17	0.18
Contribution to EPS	64.03	51.61	41.93	24.38	5.83
Total	**189.59**	**127.36**	**112.64**	**78.10**	**30.00**

27. Finance Cost:

(₹ In Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013- 2014
Interest expense	19,323.60	17,577.74	15,794.33	13,524.39	10,846.35
Other borrowing costs	313.33	316.46	269.80	238.59	280.53
Total	**19,636.93**	**17,894.20**	**16,064.13**	**13,762.98**	**11,126.88**

Financial Year 2017-18

1. Other borrowing cost includes mark to market loss on cross currency interest rate swaps of ₹ 2.99 mn net of gain on revaluation of foreign currency term loan of ₹ 31.76 mn.
2. Two cross currency interest rate swaps entered for hedging purposes are outstanding as at March 31, 2018 of USD 13.34 mn against foreign currency term loan of USD 13.34 mn equivalent to ₹ 900.00 mn.

Financial Year 2016-17

1. During the Year the Company has changed its Accounting Policy with respect to amortization of Non Convertible Debenture Issues Expenses including ancillary and other acquisition costs. If the same was not changed the Company's profit before Tax would have been lower by ₹ 25.03 mn.

28. Depreciation and amortisation expenses:

(₹ In Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Depreciation on Tangible Assets (Refer note 14)	158.96	154.54	269.45	312.27	386.96
Amortisation of Intangible Assets (Refer note 15)	9.91	2.24	0.10	0.10	0.19
Total	**168.87**	**156.78**	**269.55**	**312.37**	**387.15**

29. Other expenses:

(₹ In Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Advertisement & Marketing Expenses*	201.09	144.45	139.20	223.90	297.37
Bank Charges	67.38	65.53	43.36	71.70	109.32

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Communication cost	94.23	80.23	76.36	81.01	82.89
Corporate Social Responsibility Expenses (Refer note 39)	108.09	85.92	59.52	13.75	-
Direct operating expenses	273.37	160.81	138.04	97.64	80.34
Electricity	104.36	99.94	87.30	94.68	96.79
Exchange and statutory charges	18.39	17.85	21.14	31.54	21.87
Legal & Professional Fees *	379.42	296.51	269.87	160.20	139.44
Directors Sitting Fees	3.52	2.99	6.49	4.52	0.89
Commission to non whole time directors	3.43	2.50	2.07	3.00	0.50
Office expenses	237.91	153.41	209.80	338.54	345.56
Postage & Courier	45.28	42.94	32.89	22.91	38.73
Printing & Stationary	47.97	36.35	40.43	54.96	76.94
Rates & Taxes	12.03	2.35	5.23	2.68	6.26
Rent (Refer note 34)	535.47	468.03	462.28	492.03	496.05
Repairs & Maintenance					
- Computer	5.65	7.00	10.63	8.16	2.29
- Others	96.44	39.91	54.50	40.91	47.65
Remuneration to Auditors					
- Audit Fees	2.88	1.45	1.41	1.42	1.20
- Certification Expenses	0.24	0.26	0.15	0.05	0.05
- Out Of Pocket Expenses	0.04	0.14	0.02	-	-
Software Charges	90.43	49.79	59.61	7.36	33.89
Profit/(loss) on sale of fixed assets	-	-	-	2.41	18.93
Travelling & Conveyance	244.50	263.37	233.17	193.46	170.28
Miscellaneous Expenses	58.65	53.67	50.45	61.09	3.78
Total	**2,630.77**	**2,075.40**	**2,003.92**	**2,007.92**	**2,071.02**

***Includes below payment done in foreign currency:**

(₹ In Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Advertisement & marketing expenses	2.81	0.53	-	-	-
Legal & professional fees (recruitment charges)	1.35	0.73	-	-	-

30. Provisions and Write offs:

(₹ In Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Bad debts written off (net)	2,303.39	656.02	413.82	88.15	32.03
Provision for contingencies	(15.41)	144.62	1.73	209.56	43.42
Provision for diminution in the value of investments	366.30	(25.09)	-	14.40	11.75
Provision for non performing loans	116.33	842.41	521.11	493.10	275.86
Contingent Provision against standard assets	358.40	141.06	150.48	240.20	76.50
Total	**3,129.01**	**1,759.02**	**1,087.14**	**1,045.41**	**439.56**

30.1 Financial year 2017-18 includes net loss on sale of non performing loans ₹ 195.28 mn.

30.2 Details of movement in provision for diminution in the value of investments and non performing loans:

(₹ In Millions)

Particulars	Provision for diminution in the value of investments					Provision for non performing loans				
	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Opening balance	1.06	26.15	26.15	11.75	-	2,405.26	1,590.89	1,069.79	576.68	300.81
Provision made during the year	366.30	-	-	26.15	11.75	1,020.58	1,377.28	751.07	749.80	420.09
Write off / write-back of excess provisions	1.06	25.09	-	11.75	-	864.76	574.37	229.97	256.69	144.22
Addition on account of subsidiary acquisition	-	-	-	-	-	-	11.46	-	-	-
Closing balance	**366.30**	**1.06**	**26.15**	**26.15**	**11.75**	**2,561.08**	**2,405.26**	**1,590.89**	**1,069.79**	**576.68**
Net charge to the Statement of Profit and Loss	366.30	(25.09)	-	14.40	11.75	155.83*	802.91**	521.11	493.10	275.86

Financial year 2017-18
*Gross of settlement loss provision amounting to ₹ 39.50 mn
Financial year 2016-17
**Gross of settlement loss provision amounting to ₹ 39.50 mn.

31. Basic and Diluted Earnings Per Share (EPS) computed in accordance with Accounting Standard (AS) 20 "Earnings Per Share":

Particulars		As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Basic EPS						
Profit after Tax as per Statement of Profit and Loss (₹ in mn)		5,543.01	4,231.96	3,387.00	3,012.27	2,104.04
Less: Preference Dividend and DDT on Preference Dividend (₹ in mn)		48.07	131.21	392.67	129.86	46.40
Profit after Tax attributable to equity shareholders (₹ in mn)	**A**	5,494.94	4,100.75	2,994.33	2,882.41	2,057.64
Weighted average number of equity shares outstanding	**B**	237,831,520	237,154,141	237,154,030	237,154,030	237,154,030
Basic EPS (Rupees)	**A/B**	**23.10**	**17.29**	**12.63**	**12.15**	**8.68**
Diluted EPS						
Weighted average number of equity shares for computation of Basic EPS		237,831,520	237,154,141	237,154,030	237,154,030	237,154,030
Add: Potential Equity Shares		43,381,505	22,493,539	-	-	-
Weighted average number of equity shares for computation of Diluted EPS	**C**	281,213,025	259,647,680	237,154,030	237,154,030	237,154,030
Diluted EPS (Rupees)	**A/C**	**19.54**	**15.79**	**12.63**	**12.15**	**8.68**
Face Value per share (Rupees)		10.00	10.00	10.00	10.00	10.00

32. Contingent liabilities:

(₹ In Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
In respect of Income tax demands (Refer note (a))	211.69	290.72	257.84	161.87	79.32
In respect of Bank guarantee given (Refer note (b))	500.00	-	-	-	-
In respect of legal commitments(Refer note (c))	0.01	0.58	0.34	0.20	-
Total	**711.70**	**291.30**	**258.18**	**162.07**	**79.32**

(a) The Group has filed appeal against the said demands raised by the Income Tax Department for financial year 2017-18, 2016-17, 2015-16, 2014-15 and 2013-14.

(b) The above guarantee has been given on behalf of subsidiary company Samasta Microfinance Limited during 2017-18.

(c) The Group is subject to legal proceedings in respect of claims which have arisen in the ordinary course of the business. The Group's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Group's financial position for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

33. Commitments not provided for:

(₹ In Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Estimated amount of contracts remaining to be executed on capital account	68.91	51.89	26.96	5.06	39.10
Commitments related to loans sanctioned but undrawn	21,395.35	19,711.26	9,549.50	19,413.24	-

Note: Details for above schedule are not provided for financial year 2013-14 as the same was not required to be reported.

34. Minimum Lease Payments

The Group has taken office premises on operating lease at various locations. Lease rents amounting to ₹ 535.47 mn during the year ended 31 March 2018 in respect of the same have been charged to the Statement of Profit and Loss. The total of future minimum lease rentals under non cancellable operating leases outstanding are as under:

(₹ In Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Upto one year	13.96	5.63	3.67	3.01	0.18
One to five years	10.33	-	0.42	0.86	1.93
Total	**24.29**	**5.63**	**4.09**	**3.87**	**2.11**

35. Shared Services: (Financial year 2017-18,2016-17,2015-16,2014-15,2013-14)

The Company operates from and uses the premises, infrastructure and other facilities and services as provided to it by its Holding Company/Group companies, which are termed as 'Shared Services'. Hitherto, such shared services consisting of administrative and other revenue expenses paid for by the Company were identified and recovered/recoverable from them based on reasonable management estimates, which are constantly refined in the light of additional knowledge gained relevant to such estimation. These expenses are recovered on an actual basis and the estimates are used only where actual were difficult to determine.

36. Segment reporting: (Financial year 2017-18,2016-17,2015-16,2014-15,2013-14)

In the opinion of the management, there is only one reportable business segment (Financing & Investing) as envisaged by Accounting Standard - 17 on 'Segment Reporting'. Accordingly, no separate disclosure for segment reporting is required to be made in the Financial Statements of the Group. Secondary segmentation based on geography has not been presented as the Group operates primarily in India and the Group perceives that there is no significant difference in its risk and returns in operating from different geographic areas within India.

37. Employee Stock Option Plan:

The Company has implemented "India Infoline Finance Limited Employees Stock Options Plan-2015" (IIFL ESOP 2015) and has outstanding options granted under the said scheme. The options are granted by the Nomination & Remuneration Committee and they vest in graded manner and must be exercised within the specified period as per the IIFL ESOP 2015.

Details of IIFL ESOP Plan 2015:

Particulars	ESOP 2015
Number of options outstanding as on March 31, 2018;2017;2016	2,034,958; 2,582,488; 780,040
Method of accounting	Intrinsic Value
Vesting plan	Options currently granted would vest over a period of maximum four years subject to a minimum period of one year from the date of grant of options
Exercise period	Maximum seven years from the date of grant
Grant Dates	2-Dec-2015, 2-Dec-2015, 9-Mar-2016 and 8-Feb-2017
Grant Price (₹ Per Share)	₹ 83, ₹ 83, ₹ 83 and ₹ 144
Fair Value on the date of Grant of Option (₹ Per Share)	₹ 83, ₹ 83, ₹ 83 and ₹ 144

A. Movement of option Granted:

Particulars	2017-2018	2016-2017	2015-2016
Options outstanding at the beginning of the year	2,582,488	780,040	-
Granted during the year	-	1,900,000	780,040
Exercised during the year	(242,520)	(10,972)	-
Lapsed during the year	(305,010)	(86,580)	-
Options outstanding at the end of the year	**2,034,958**	**2,582,488**	**780,040**

B. Fair value methodology:
The fair value of options has been estimated on the date of grant, using Black Scholes model. Key assumptions are as follows:

Particulars	ESOP 2015			
Grant date	2-Dec-15	2-Dec-15	9-Mar-16	8-Feb-17
Risk free interest rate	7.60% - 7.70%	7.60% - 7.64%	7.62% - 7.74%	6.60% - 6.77%
Expected average life	5.00	4.45	5.00	5.00
Expected volatility of share price	10.00%	10.00%	10.00%	10.00%
Dividend yield	3.00%	3.00%	3.00%	3.00%
Fair value on the date of grant (₹/option)	15.93	14.72	16.01	23.84

C. Impact of fair value method on net profit and earnings per share:
Had the compensation cost for the stock options granted been determined on fair value approach, the Company's net profit & earning per share would have been as per the pro-forma amounts as indicated below:

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Net profit after tax (as reported) (₹ In mn)	5,543.01	4,231.96	3,387.00	-	-
Less: Stock based compensation expenses determined under fair value method net of tax (pro-forma) {Gross - ₹ 15.21 mn (F.Y 16-17 ₹ 6.53 mn; F.Y 15-16 ₹ 1.44 mn)} (₹ In mn)	(9.94)	(4.27)	(0.95)	-	-
Net Profit after tax (pro-forma) (₹ In mn)	**5,533.07**	**4,227.69**	**3,386.05**	-	-
Basic earnings per share (as reported)	23.10	17.29	12.63	-	-
Basic earnings per share (pro-forma)	23.06	17.27	12.62	-	-
Diluted earnings per share (as reported)	19.54	15.79	12.63	-	-
Diluted earnings per share (pro-forma)	19.50	15.78	12.62	-	-

38. Disclosures in respect of applicability of AS – 18 Related Party Disclosures:

Financial Year 2017-18

(a) Related parties where control exists:

Nature of relationship	Name of party
Holding Company	IIFL Holdings Limited
Direct Subsidiaries	India Infoline Housing Finance Limited
	Samasta Microfinance Limited (w.e.f March 01, 2017)
	Clara Developers Private Limited (w.e.f December 27, 2017)
Step down Subsidiary	Ayusha Dairy Private Limited (w.e.f March 01, 2017)
Fellow Subsidiaries	IIFL Commodities Limited (Formerly India Infoline Commodities Limited)
	India Infoline Media & Research Services Limited
	IIFL Securities Limited (Formerly India Infoline Limited)
	IIFL Management Services Limited (Formerly India Infoline Insurance Services Limited)
	IIFL Insurance Brokers Limited (Formerly India Infoline Insurance Brokers Limited)
	IIFL Wealth Management Limited
	IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)
	IIFL Wealth (UK) Limited
	IIFL Capital Inc.
	India Infoline Foundation
	IIFL Asset Reconstruction Limited
Group Companies	IIFL Distribution Services Limited
	IIFL Investment Advisor and Trustee Services Limited
	IIFL Trustee Limited (Formerly India Infoline Trustee Company Limited)
	IIFL Asset Management Limited (Formerly India Infoline Asset Management Company Limited)
	IIFL Alternate Asset Advisors Limited
	IIFL (Asia) PTE Limited
	IIFL Capital PTE Limited
	IIFL Securities PTE Limited
	IIFL Private Wealth Hong Kong Limited
	IIFL Asset Management (Mauritius) Limited (Formerly IIFL Private Wealth (Mauritius) Limited)
	IIFL Private Wealth Management (Dubai) Limited
	IIFL Inc.
	IIFL Private Wealth (Suisse) SA.
	IIFL Wealth Finance Limited
	IIFL Capital (Canada) Limited
	Meenakshi Tower LLP (Joint Venture of IIFL Management Services Limited)
Key Managerial Personnel	Nirmal Jain
	R. Venkataraman
	Rajashree Nambiar (Upto January 31, 2018)
Relatives of Key Managerial Personnel	Madhu Jain (Spouse of Nirmal Jain)
	Aditi Athavankar (Spouse of R. Venkataraman)
Other Related Parties	Orpheus Trading Private Limited
	5Paisa Capital Limited (fellow subsidiary upto September 30, 2017)
	5Paisa P2P Limited
	Ardent Impex Private Limited

(b) Significant Transaction with Related Parties:

(₹ In Millions)

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies/ Other related parties	Key Managerial Personnel	Total
Interest Income						
5paisa Capital Limited	-	-	-	0.46	-	0.46
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	0.39	-	-	-	0.39
IIFL Securities Limited (Formerly India Infoline Limited)	-	10.01	-	-	-	10.01
Interest Expense						
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	632.26	-	-	-	632.26
IIFL Holdings Limited	1.15	-	-	-	-	1.15
IIFL Management Services Limited (Formerly India Infoline Management Services Limited)	-	2.66	-	-	-	2.66
Referral Fees Income						
IIFL Wealth Management Limited	-	6.87	-	-	-	6.87
Donation Paid						
India Infoline Foundation	-	108.09	-	-	-	108.09
Arranger / Processing Fees / Advisory expenses/Referral Fees						
IIFL Wealth Management Limited	-	12.27	-	-	-	12.27
IIFL Securities Limited (Formerly India Infoline Limited)	-	11.27	-	-	-	11.27
IIFL Management Services Limited (Formerly India Infoline Management Services Limited)	-	8.73	-	-	-	8.73
Rent Expenses						
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	63.86	-	-	-	63.86
IIFL Management Services Limited (Formerly India Infoline Management Services Limited)	-	1.13	-	-	-	1.13
Aditi Athavankar	-	-	-	-	2.40	2.40
Commission / Brokerage expense						
IIFL Securities Limited (Formerly India Infoline Limited)	-	0.75	-	-	-	0.75
Director's Remuneration						
Director's Remuneration	-	-	-	-	120.83	120.83
Preference Dividend Paid						
IIFL Holdings Limited	99.95	-	-	-	-	99.95
Equity Dividend Paid						
IIFL Holdings Limited	652.17	-	-	-	-	652.17
ICD Taken						
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	3,22,846.05	-	-	-	3,22,846.05
IIFL Holdings Limited	1,500.00	-	-	-	-	1,500.00
IIFL Management Services Limited (Formerly India Infoline Management Services Limited)	-	1,500.00	-	-	-	1,500.00
ICD Returned						
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	3,22,846.05	-	-	-	3,22,846.05
IIFL Holdings Limited	1,500.00	-	-	-	-	1,500.00
IIFL Management Services Limited (Formerly India Infoline Management Services Limited)	-	1,500.00	-	-	-	1,500.00
ICD Given						
5paisa Capital Limited	-	-	-	100.00	-	100.00
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	500.00	-	-	-	500.00
IIFL Securities Limited (Formerly India Infoline Limited)	-	11,500.00	-	-	-	11,500.00

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies/ Other related parties	Key Managerial Personnel	Total
ICD Received Back						
5paisa Capital Limited	-	-	-	100.00	-	100.00
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	500.00	-	-	-	500.00
IIFL Securities Limited (Formerly India Infoline Limited)	-	11,500.00	-	-	-	11,500.00
Sale of Investment (Net)						
IIFL Wealth Management Limited	-	86.27	-	-	-	86.27
Purchase of Investment (Net)						
IIFL Management Services Limited (Formerly India Infoline Management Services Limited)	-	0.15	-	-	-	0.15
Allocation / Reimbursement of expenses paid						
IIFL Securities Limited (Formerly India Infoline Limited)	-	135.13	-	-	-	135.13
IIFL Management Services Limited (Formerly India Infoline Management Services Limited)	-	1.04	-	-	-	1.04
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	30.45	-	-	-	30.45
IIFL Holdings Limited	85.30	-	-	-	-	85.30
Allocation / Reimbursement of expenses paid others						
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	1.99	-	-	-	1.99
IIFL Commodities Limited (Formerly India Infoline Commodities Limited)	-	0.03	-	-	-	0.03
IIFL Insurance Brokers Limited (Formerly India Infoline Insurance Brokers Limited)	-	2.49	-	-	-	2.49
5paisa Capital Limited	-	-	-	0.05	-	0.05
IIFL Management Services Limited (Formerly India Infoline Management Services Limited)	-	0.06	-	-	-	0.06
IIFL Holdings Limited	0.20	-	-	-	-	0.20
IIFL Securities Limited (Formerly India Infoline Limited)	-	4.32	-	-	-	4.32
IIFL Distribution Services Limited	-	0.11	-	-	-	0.11
India Infoline Media and Research Services Limited	-	0.62	-	-	-	0.62
Allocation / Reimbursement of expenses received						
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	1.15	-	-	-	1.15
IIFL Management Services Limited (Formerly India Infoline Management Services Limited)	-	1.87	-	-	-	1.87
5paisa Capital Limited	-	-	-	0.28	-	0.28
IIFL Commodities Limited (Formerly India Infoline Commodities Limited)	-	0.06	-	-	-	0.06
IIFL Securities Limited (Formerly India Infoline Limited)	-	31.91	-	-	-	31.91
IIFL Insurance Brokers Limited (Formerly India Infoline Insurance Brokers Limited)	-	0.31	-	-	-	0.31
Allocation / Reimbursement of expenses received others						
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	1.00	-	-	-	1.00
IIFL Holdings Limited	0.20	-	-	-	-	0.20
IIFL Management Services Limited (Formerly India Infoline Management Services Limited)	-	0.02	-	-	-	0.02
India Infoline Foundation	-	0.01	-	-	-	0.01
IIFL Distribution Services Limited	-	0.01	-	-	-	0.01
IIFL Insurance Brokers Limited (Formerly India Infoline Insurance Brokers Limited)	-	0.11	-	-	-	0.11
India Infoline Media and Research Services Limited	-	0.06	-	-	-	0.06
IIFL Securities Limited (Formerly India Infoline Limited)	-	5.01	-	-	-	5.01

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies/ Other related parties	Key Managerial Personnel	Total
Redemption of Preference Shares						
IIFL Holdings Limited	750.00	-	-	-	-	750.00
Other Receivables						
IIFL Management Services Limited (Formerly India Infoline Management Services Limited)	-	542.05	-	-	-	542.05

Note: ICD transactions are excluding Intraday funding.

(c) Balance outstanding at the end of the year:

(₹ In Millions)

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies/ Other related parties	Key Managerial Personnel	Total
Sundry payable						
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	45.29	-	-	-	45.29
Sundry receivable						
Aditi Athavankar	-	-	-	-	50.00	50.00
IIFL Wealth Management Limited	-	7.42	-	-	-	7.42
Borrowing						
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	397.10	-	-	-	397.10

Financial Year 2016-17

(a) Related parties where control exists:

Nature of relationship	Name of party
Holding Company	IIFL Holdings Limited
Direct Subsidiaries	India Infoline Housing Finance Limited
	Samasta Microfinance Limited (w.e.f March 01, 2017)
Step down Subsidiary	Ayusha Dairy Private Limited (w.e.f March 01, 2017)
Fellow Subsidiaries	India Infoline Commodities Limited
	India Infoline Media & Research Services Limited
	5 Paisa Capital Limited (Formerly IIFL Capital Limited)
	India Infoline Limited
	India Infoline Insurance Services Limited
	India Infoline Insurance Brokers Limited
	IIFL Wealth Management Limited
	IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)**
	IIFL Wealth (UK) Limited
	IIFL Capital Inc.
Group Companies	IIFL Distribution Services Limited
	IIFL Investment Advisor and Trustee Services Limited
	IIFL Trustee Limited (Formerly India Infoline Trustee Company Limited)
	IIFL Asset Management Limited (Formerly India Infoline Asset Management Company Limited)
	IIFL Alternate Asset Advisors Limited
	IIFL (Asia) Pte. Limited
	IIFL Capital Pte. Limited
	IIFL Securities Pte Limited
	IIFL Private Wealth Hong Kong Limited
	IIFL Asset Management (Mauritius) Limited (Formerly IIFL Private Wealth (Mauritius) Limited)
	IIFL Private Wealth Management (Dubai) Limited
	IIFL Inc.
	IIFL Private Wealth (Suisse) SA.

Nature of relationship	Name of party
	India Infoline Foundation
	IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)
	India Alternatives Investment Advisors Private Limited (Upto March 30, 2017)
Key Managerial Personnel	Nirmal Jain
	R. Venkataraman
	Rajashree Nambiar
Other Related Parties	Madhu Jain (Spouse of Mr. Nirmal Jain)
	Aditi Venkataraman (Spouse of Mr. R. Venkataraman)
	Valentino S. Peter (Spouse of Mrs. Rajashree Nambiar)
	Orpheus Trading Private Limited
	Ardent Impex Private Limited
	Meenakshi Towers LLP (Joint Venture of Fellow Subsidiary IIFL Real Estate Limited)
	IIFL Asset Reconstruction Limited

**NCLT vide its order dated March 30, 2017 has approved and sanctioned the Scheme of Amalgamation of IIFL Properties Private Limited with IIFL Real Estate Limited w.e.f. April 01, 2015. Thus, all the related party transactions with IIFL Properties Private Limited, for the current year and the previous year, have been shown under IIFL Real Estate Limited.

(b) Significant Transaction with Related Parties:

(₹ In Millions)

Nature of Transaction	Holding Company	Fellow Subsidiary	Direct Subsidiary	Group Companies	Key Managerial Person	Grand Total
Interest Income						
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	0.02	-	-	-	0.02
IIFL Wealth Management Limited	-	0.47	-	-	-	0.47
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-	-	-	3.45	-	3.45
India Infoline Media and Research Services Limited	-	0.01	-	-	-	0.01
Interest Expense						
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	78.62	-	-	-	78.62
IIFL Holdings Limited	0.3	-	-	-	-	0.3
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-	-	-	0.84	-	0.84
Referral Fees Income						
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	0.07	-	-	-	0.07
IIFL Wealth Management Limited	-	10.25	-	-	-	10.25
Donation Paid						
India Infoline Foundation	-	80.93	-	-	-	80.93
Arranger / Management / Marketing Support / Processing Fees / Advisory expenses						
IIFL Wealth Management Limited	-	52.12	-	-	-	52.12
IIFL Holdings Limited	0.8	-	-	-	-	0.8
Rent Expenses						
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	71.83	-	-	-	71.83
Aditi Venkatraman	-	-	-	-	0.4	0.4
Commission / Brokerage expense						
India Infoline Limited	-	0.57	-	-	-	0.57
Remuneration paid						
Director's Remuneration	-	-	-	-	81.98	81.98
Preference Dividend Paid						
IIFL Holdings Limited	179.95	-	-	-	-	179.95

Nature of Transaction	Holding Company	Fellow Subsidiary	Direct Subsidiary	Group Companies	Key Managerial Person	Grand Total
Equity Dividend Paid						
IIFL Holdings Limited	652.17	-	-	-	-	652.17
ICD Taken						
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	43,100.00	-	-	-	43,100.00
IIFL Holdings Limited	430	-	-	-	-	430
ICD Returned						
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	43,100.00	-	-	-	43,100.00
IIFL Holdings Limited	430	-	-	-	-	430
ICD Given						
IIFL Holdings Limited	7.5	-	-	-	-	7.5
5paisa Capital Limited (Formerly IIFL Capital Limited)	-	9.5	-	-	-	9.5
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	30	-	-	-	30
IIFL Wealth Management Limited	-	250	-	-	-	250
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-	-	-	1,500.00	-	1,500.00
India Infoline Limited	-	3.1	-	-	-	3.1
India Infoline Media and Research Services Limited	-	40	-	-	-	40
ICD Received Back						
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-	-	-	1,500.00	-	1,500.00
IIFL Holdings Limited	7.5	-	-	-	-	7.5
5paisa Capital Limited (Formerly IIFL Capital Limited)	-	9.5	-	-	-	9.5
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	30	-	-	-	30
IIFL Wealth Management Limited	-	250	-	-	-	250
India Infoline Limited	-	3.1	-	-	-	3.1
India Infoline Media and Research Services Limited	-	40	-	-	-	40
Allocation / Reimbursement of expenses paid						
India Infoline Limited	-	128.97	-	-	-	128.97
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	25.29	-	-	-	25.29
IIFL Holdings Limited	54.78	-	-	-	-	54.78
Allocation / Reimbursement of expenses paid others						
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	0.07	-	-	-	0.07
India Infoline Commodities Limited	-	0.04	-	-	-	0.04
India Infoline Insurance Brokers Limited	-	0.8	-	-	-	0.8
India Infoline Insurance Services Limited #	-	0	-	-	-	0
India Infoline Limited	-	9.79	-	-	-	9.79
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-	-	-	0.02	-	0.02
India Infoline Foundation	-	0.03	-	-	-	0.03
India Infoline Media and Research Services Limited	-	3.38	-	-	-	3.38

Nature of Transaction	Holding Company	Fellow Subsidiary	Direct Subsidiary	Group Companies	Key Managerial Person	Grand Total
Allocation / Reimbursement of expenses received						
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	4.18	-	-	-	4.18
5paisa Capital Limited (Formerly IIFL Capital Limited)	-	0.02	-	-	-	0.02
India Infoline Commodities Limited	-	0.03	-	-	-	0.03
India Infoline Limited	-	26	-	-	-	26
India Infoline Insurance Brokers Limited	-	0.04	-	-	-	0.04
Allocation / Reimbursement of expenses received others						
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	0.64	-	-	-	0.64
IIFL Holdings Limited	0.01	-	-	-	-	0.01
India Infoline Commodities Limited	-	0.35	-	-	-	0.35
India Infoline Insurance Brokers Limited	-	0.66	-	-	-	0.66
India Infoline Media and Research Services Limited	-	3.37	-	-	-	3.37
India Infoline Limited	-	2.32	-	-	-	2.32
Commercial Paper Maturity Proceeds received						
India Infoline Limited		2500.00	-	-	-	2,500.00
Redemption of Preference Shares						
IIFL Holdings Limited	500	-	-	-	-	500
Delayed Paying Charges						
India Infoline Limited	-	0.11	-	-	-	0.11
Security Deposit Paid						
Aditi Venkatraman	-	-	-	-	50	50

Note: ICD transactions are excluding Intraday funding.
Amount is less than ₹ 0.01 mn hence shown as ₹ 0.00 mn wherever applicable.

(c) Balance outstanding at the end of the year: **(₹ In Millions)**

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiary	Group Companies	Key Management Personnel	Total
Sundry payable						
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	24.94	-	-	-	24.94
IIFL Wealth Management Limited	-	1.88	-	-	-	1.88
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-	-	-	0.02	-	0.02
Borrowings						
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	317.68	-	-	-	317.68
Sundry Receivable						
Aditi Venkatraman	-	-	-	-	50.00	50.00

Financial Year 2015-16

(a)Related parties where control exists :

Nature of relationship	Name of party
Holding Company	IIFL Holdings Limited
Direct Subsidiaries	India Infoline Housing Finance Limited
Fellow Subsidiaries	India Infoline Commodities Limited
	India Infoline Media & Research Services Limited
	IIFL Capital Limited
	India Infoline Limited (Formerly India Infoline Distribution Company Limited)
	India Infoline Insurance Services Limited
	India Infoline Insurance Brokers Limited
	IIFL Wealth Management Limited
	IIFL Realty Limited
	India Infoline Commodities DMCC
	IIFL Wealth (UK) Limited
	IIFL Capital Inc.
	IIFL Asset Reconstruction Company Limited
Group Companies	IIFL Distribution Services Limited (Formerly IIFL Distribution Services Private Limited)
	IIFL Investment Advisor and Trustee Services Limited (Formerly IIFL Trustee Services Limited)
	India Alternative Investment Advisors Private Limited
	India Infoline Trustee Company Limited
	India Infoline Asset Management Company Limited
	IIFL Alternate Asset Advisors Limited
	IIFL (Asia) Pte. Limited
	IIFL Capital Pte. Limited
	IIFL Securities Pte Limited
	IIFL Private Wealth Hong Kong Limited
	IIFL Private Wealth (Mauritius) Limited
	IIFL Private Wealth Management (Dubai) Limited
	IIFL Inc.
	IIFL Private Wealth (Suisse) SA.
	IIFL Properties Private Limited (Formerly Ultra Sign and Display Private Limited)
	India Infoline Foundation
	IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)
Key Managerial Personnel	Nirmal Jain
	Rajashree Nambiar
Other related parties	R. Venkataraman
	Madhu Jain (Spouse of Mr. Nirmal Jain)
	Valentino S. Peter (Spouse of Mrs. Rajashree Nambiar)
	Orpheus Trading Private Limited
	Ardent Impex Private Limited

(b) Significant Transaction with Related Parties:

(₹ In Millions)

Nature of Transaction	Holding Company	Fellow Subsidiary	Direct Subsidiary	Group Companies	Key Management Personnel /Other	Grand Total
Interest Income						
IIFL Alternate Assets Advisors Limited	-	-	-	45.44	-	45.44
IIFL Capital Limited	-	3.32	-	-	-	3.32
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	11.93	-	-	-	11.93
IIFL Investment Adviser Trustee Services Limited	-	-	-	1	-	1
IIFL Wealth Management Limited	-	0.78	-	-	-	0.78
India Alternates Investment Advisors Private Limited	-	-	-	2.53	-	2.53
India Infoline Commodities Limited	-	1.87	-	-	-	1.87
India Infoline Insurance Brokers Limited	-	0.94	-	-	-	0.94

Nature of Transaction	Holding Company	Fellow Subsidiary	Direct Subsidiary	Group Companies	Key Management Personnel /Other	Grand Total
India Infoline Insurance Services Limited	-	0.09	-	-	-	0.09
India Infoline Limited	-	0.75	-	-	-	0.75
India Infoline Media and Research Services Limited	-	22.13	-	-	-	22.13
Mrs.Madhu Jain	-	-	-	-	4.21	4.21
Interest Expense						
IIFL Alternate Assets Advisors Limited	-	-	-	0.12	-	0.12
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	42.42	-	-	-	42.42
IIFL Holdings Limited	4.23	-	-	-	-	4.23
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-		-	0.08	-	0.08
IIFL Wealth Management Limited	-	7.31	-	-	-	7.31
India Infoline Commodities Limited	-	0.02	-	-	-	0.02
India Infoline Limited	-	0.29	-	-	-	0.29
Referral Fees Income						
IIFL Wealth Management Limited	-	226.07	-	-	-	226.07
Interest Income Reversal						
Mrs.Madhu Jain	-	-	-	-	0.49	0.49
Donation Paid						
India Infoline Foundation	-	0.07	-	-	-	0.07
Arranger / Management / Marketing Support / Processing Fees / Advisory expenses						
IIFL Wealth Management Limited	-	12.36	-	-	-	12.36
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	1.56	-	-	-	1.56
Rent Expenses						
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	78.91	-	-	-	78.91
IIFL Properties Private Limited(Formerly Known As Ultra Sign and Display Private Limited)	-	-	-	1.92	-	1.92
Commission / Brokerage expense						
India Infoline Limited	-	0.59	-	-	-	0.59
Director's Remuneration						
Director's Remuneration	-	-	-	-	73.51	73.51
Preference Dividend						
IIFL Holdings Limited	31.78		-	-	-	31.78
IIFL Alternate Assets Advisors Limited		-	-	1.53	-	1.53
Equity Dividend						
IIFL Holdings Limited	644.79	-	-	-	-	644.79
ICD Taken						
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	11,880.00	-	-	-	11,880.00
IIFL Holdings Limited	1,005.00	-	-	-	-	1,005.00
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-		-	150.00	-	150.00
IIFL Wealth Management Limited	-	2,750.00	-	-	-	2,750.00
India Infoline Limited	-	540.00	-	-	-	540.00

Nature of Transaction	Holding Company	Fellow Subsidiary	Direct Subsidiary	Group Companies	Key Management Personnel /Other	Grand Total
India Infoline Media and Research Services Limited	-	10.00	-	-	-	10.00
ICD Returned						
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	12,900.00	-	-	-	12,900.00
IIFL Holdings Limited	1,005.00	-	-	-	-	1,005.00
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-	-	-	150.00	-	150.00
IIFL Wealth Management Limited	-	2,750.00	-	-	-	2,750.00
India Infoline Limited	-	540.00	-	-	-	540.00
India Infoline Media and Research Services Limited	-	10.00	-	-	-	10.00
ICD Given						
IIFL Alternate Assets Advisors Limited	-	-	-	4,747.50	-	4,747.50
IIFL Capital Limited	-	543.00	-	-	-	543.00
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	2,387.00	-	-	-	2,387.00
IIFL Investment Adviser Trustee Services Limited	-	-	-	25.00	-	25.00
IIFL Wealth Management Limited	-	490.00	-	-	-	490.00
India Alternates Investment Advisors Private Limited	-	-	-	61.50	-	61.50
India Infoline Commodities Limited	-	309.00	-	-	-	309.00
India Infoline Insurance Brokers Limited	-	257.00	-	-	-	257.00
India Infoline Insurance Services Limited	-	3.50	-	-	-	3.50
India Infoline Limited	-	500.00	-	-	-	500.00
India Infoline Media and Research Services Limited	-	1,815.30	-	-	-	1,815.30
ICD Received Back						
IIFL Alternate Assets Advisors Limited	-	-	-	4,747.50	-	4,747.50
IIFL Capital Limited	-	543.00	-	-	-	543.00
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	2,387.00	-	-	-	2,387.00
IIFL Investment Adviser Trustee Services Limited	-	-	-	25.00	-	25.00
IIFL Wealth Management Limited	-	490.00	-	-	-	490.00
India Alternates Investment Advisors Private Limited	-	-	-	61.50	-	61.50
India Infoline Commodities Limited	-	309.00	-	-	-	309.00
India Infoline Insurance Brokers Limited	-	257.00	-	-	-	257.00
India Infoline Insurance Services Limited	-	3.50	-	-	-	3.50
India Infoline Limited	-	500.00	-	-	-	500.00
India Infoline Media and Research Services Limited	-	1,815.30	-	-	-	1,815.30
Loan Given						
Mrs.Madhu Jain	-	-	-	-	1,701.48	1,701.48
Loan Received Back						
Mrs.Madhu Jain	-	-	-	-	1,701.48	1,701.48
NCD Issued						
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	300.00	-	-	-	300.00
NCD Bought Back						
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	150.00	-	-	-	150.00

Nature of Transaction	Holding Company	Fellow Subsidiary	Direct Subsidiary	Group Companies	Key Management Personnel /Other	Grand Total
Sale of Investment (Net)						
IIFL Wealth Management Limited	-	850.06	-	-	-	850.06
Purchase of Investment (Net)						
IIFL Holdings Limited	919.19	-	-	-	-	919.19
India Infoline Limited	-	550	-	-	-	550
Allocation / Reimbursement of expenses paid						
India Infoline Limited	-	123.21	-	-	-	123.21
Allocation / Reimbursement of expenses paid others						
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	0.35	-	-	-	0.35
India Infoline Commodities Limited	-	0.01	-	-	-	0.01
India Infoline Insurance Brokers Limited	-	0.14	-	-	-	0.14
India Infoline Insurance Services Limited	-	0.01	-	-	-	0.01
India Infoline Limited	-	101.71	-	-	-	101.71
India Infoline Media and Research Services Limited	-	0.2	-	-	-	0.2
Allocation / Reimbursement of expenses received						
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	2.83	-	-	-	2.83
IIFL Holdings Limited	0.21	-	-	-	-	0.21
India Infoline Commodities Limited	-	0.13	-	-	-	0.13
India Infoline Limited	-	6.18	-	-	-	6.18
India Infoline Media and Research Services Limited	-	4.64	-	-	-	4.64
Sum of Allocation / Reimbursement of expenses received others						
IIFL Capital Limited	-	0.06	-	-	-	0.06
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	1.16	-	-	-	1.16
IIFL Holdings Limited	0.29	-	-	-	-	0.29
India Infoline Commodities Limited	-	0.16	-	-	-	0.16
India Infoline Insurance Brokers Limited	-	2.08	-	-	-	2.08
India Infoline Media and Research Services Limited	-	0.32	-	-	-	0.32
India Infoline Limited	-	4.02	-	-	-	4.02
Capital Gain on Sale of Investment						
IIFL Wealth Management Limited	-	0.99	-	-	-	0.99
Guarantee Commission						
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	5.23	-	-	-	5.23
India Infoline Insurance Brokers Limited	-	1.14	-	-	-	1.14
India Infoline Media and Research Services Limited	-	0.79	-	-	-	0.79
Sundry receivables						
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	0.78	-	-	-	0.78

Note: ICD Transactions are excluding Intraday Funding.

c) **Balance outstanding at the end of the year:**

(₹ In Millions)

Nature of Transaction	Holding Company	Fellow Subsidiaries	Group Companies	Key Management Personnel	Total
Sundry Receivable					
India Infoline Limited	-	0.78	-	-	**0.78**

Financial Year 2014-15

(a) Related parties where control exists:

Nature of relationship	Name of party
Holding Company	IIFL Holdings Limited (Formerly India Infoline Limited)
Direct Subsidiaries	India Infoline Housing Finance Limited
Fellow Subsidiaries	India Infoline Commodities Limited
	India Infoline Media & Research Services Limited
	IIFL Capital Limited
	India Infoline Limited (Formerly India Infoline Distribution Company Limited)
	India Infoline Insurance Services Limited
	India Infoline Insurance Brokers Limited
	IIFL Wealth Management Limited
	IIFL Realty Limited
	India Infoline Commodities DMCC
	IIFL Wealth (UK) Limited
	IIFL Capital Inc.
	IIFL Asset Reconstruction Company Limited
Group Companies	IIFL Distribution Services Limited (Formerly IIFL Distribution Services Private Limited)
	IIFL Investment Advisor and Trustee Services Limited (Formerly IIFL Trustee Services Limited)
	India Alternative Investment Advisors Private Limited
	India Infoline Trustee Company Limited
	India Infoline Asset Management Company Limited
	IIFL Alternate Asset Advisors Limited
	IIFL (Asia) Pte. Limited
	IIFL Capital Pte. Limited
	IIFL Securities Pte Limited
	IIFL Private Wealth Hong Kong Limited
	IIFL Private Wealth (Mauritius) Limited
	IIFL Private Wealth Management (Dubai) Limited
	IIFL Inc.
	IIFL Private Wealth (Suisse) SA.
	IIFL Properties Private Limited (Formerly Ultra Sign and Display Private Limited)
	India Infoline Foundation
Key Managerial Personnel	Nirmal Jain
	Mukesh Kumar Singh (Upto March 25,2015)
	Rajashree Nambiar (W.e.f January 29,2015)
Other related parties	R. Venkataraman
	Madhu Jain (Spouse of Mr. Nirmal Jain)
	Valentino S. Peter (Spouse of Mrs. Rajashree Nambiar)
	Orpheus Trading Private Limited
	Ardent Impex Private Limited

(b) Significant Transaction with Related Parties:

(₹ In Millions)

Nature of Transaction	Holding Company	Fellow Subsidiaries	Group Companies	Key Management Personnel	Total
Interest Income					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	0.16	-	-	0.16
IIFL Holdings Limited (Formerly India Infoline Limited)	7.83	-	-	-	7.83
IIFL Wealth Management Limited	-	7.74	-	-	7.74
India Infoline Media and Research Services Limited	-	2.75	-	-	2.75

Nature of Transaction	Holding Company	Fellow Subsidiaries	Group Companies	Key Management Personnel	Total
IIFL Realty Limited	-	7.69	-	-	7.69
India Infoline Commodities Limited	-	2.90	-	-	2.90
IIFL Distribution Services Limited (Formerly known as IIFL Distribution Services Private Limited)	-	-	-	-	-
India Infoline Insurance Brokers Limited	-	0.42	-	-	0.42
IIFL Capital Limited	-	3.23	-	-	3.23
India Alternates Investment Advisors Private Limited	-	2.80	-	-	2.80
Interest Expense					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	0.82	-	-	0.82
IIFL Holdings Limited (Formerly India Infoline Limited)	3.31	-	-	-	3.31
IIFL Wealth Management Limited	-	4.30	-	-	4.30
India Infoline Commodities Limited	-	0.38	-	-	0.38
IIFL Realty Limited	-	0.47	-	-	0.47
India Infoline Asset Management Company Limited	-	-	0.99	-	0.99
Referral Fees Income					
IIFL Wealth Management Limited	-	42.58	-	-	42.58
Arranger/Management /Marketing Support / Processing fees / Advisory expenses					
IIFL Alternate Assets Advisors Limited	-		0.95	-	0.95
Rent Expenses					
IIFL Realty Limited	-	71.00	-	-	71.00
IIFL Properties Private Limited (Formerly Ultra Sign and Display Private Limited)	-	0.38	-	-	0.38
Commission/ Brokerage Expense					
IIFL Wealth Management Limited	-	-	-	-	-
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	0.56	-	-	0.56
Director's Remuneration					
Director's Remuneration	-	-	-	46.72	46.72
Preference Dividend					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	30.00	-	-	30.00
IIFL Holdings Limited (Formerly India Infoline Limited)	36.00	-	-	-	36.00
Equity Dividend					
IIFL Holdings Limited (Formerly India Infoline Limited)	586.17	-	-	-	586.17
ICD Taken					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	1,110.00	-	-	1,110.00
IIFL Holdings Limited (Formerly India Infoline Limited)	5,690.00	-	-	-	5,690.00
IIFL Wealth Management Limited	-	1,467.58	-	-	1,467.58
India Infoline Commodities Limited	-	110.00	-	-	110.00
India Infoline Asset Management Company Limited	-	-	300.00	-	300.00
IIFL Realty Limited	-	1,020.00	-	-	1,020.00
ICD Returned					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	1,110.00	-	-	1,110.00
IIFL Holdings Limited (Formerly India Infoline Limited)	5,690.00	-	-	-	5,690.00
India Infoline Commodities Limited	-	110.00	-	-	110.00
IIFL Wealth Management Limited	-	1,467.58	-	-	1,467.58
India Infoline Asset Management Company Limited	-		300.00	-	300.00

Nature of Transaction	Holding Company	Fellow Subsidiaries	Group Companies	Key Management Personnel	Total
ICD Given					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	500.00	-	-	500.00
IIFL Holdings Limited (Formerly India Infoline Limited)	500.00	-	-	-	500.00
India Infoline Media and Research Services Limited	-	97.50	-	-	97.50
IIFL Wealth Management Limited	-	2,543.42	-	-	2,543.42
IIFL Realty Limited	-	435.50	-	-	435.50
India Infoline Insurance Brokers Limited	-	16.00	-	-	16.00
India Infoline Commodities Limited	-	465.00	-	-	465.00
IIFL Capital Limited	-	1,069.50	-	-	1,069.50
India Alternates Investment Advisors Private Limited	-	40.00	-	-	40.00
ICD Received Back					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	500.00	-	-	500.00
IIFL Holdings Limited (Formerly India Infoline Limited)	500.00	-	-	-	500.00
India Infoline Media and Research Services Limited	-	97.50	-	-	97.50
IIFL Wealth Management Limited	-	2,543.42	-	-	2,543.42
IIFL Realty Limited	-	435.50	-	-	435.50
India Infoline Commodities Limited	-	465.00	-	-	465.00
India Infoline Insurance Brokers Limited	-	16.00	-	-	16.00
IIFL Capital Limited	-	1,069.50	-	-	1,069.50
India Alternates Investment Advisors Private Limited	-	40.00	-	-	40.00
Sale of Investment (Net)					
IIFL Wealth Management Limited	-	1,941.21	-	-	1,941.21
Purchase of Investment (Net)					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	897.06	-	-	897.06
IIFL Wealth Management Limited	-	1,162.76	-	-	1,162.76
Allocation / Reimbursement of expenses paid					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	206.02	-	-	206.02
India Infoline Media and Research Services Limited	-	0.04	-	-	0.04
India Infoline Commodities Limited	-	0.18	-	-	0.18
Allocation / Reimbursement of expenses paid others					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	33.01	-	-	33.01
IIFL Holdings Limited (Formerly India Infoline Limited)	0.19	-	-	-	0.19
India Infoline Media and Research Services Limited	-	0.45	-	-	0.45
India Infoline Insurance services Limited	-	1.19	-	-	1.19
India Infoline Insurance Brokers Limited	-	0.30	-	-	0.30
Allocation / Reimbursement of expenses received					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	73.27	-	-	73.27
India Infoline Insurance Brokers Limited	-	2.39	-	-	2.39
Allocation / Reimbursement of expenses received others					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	0.60	-	-	0.60
IIFL Holdings Limited (Formerly India Infoline Limited)	0.68	-	-	-	0.68
India Infoline Insurance Brokers Limited	-	0.12	-	-	0.12

Nature of Transaction	Holding Company	Fellow Subsidiaries	Group Companies	Key Management Personnel	Total
India Infoline Media and Research Services Limited	-	1.38	-	-	1.38
Capital Gains on Sale of Preference Shares					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	7.40	-	-	7.40
IIFL Holdings Limited (Formerly India Infoline Limited)	17.56	-	-	-	17.56
Allotment of Preference shares					
IIFL Holdings Limited (Formerly India Infoline Limited)	1,250.00	-	-	-	1,250.00
IIFL Wealth Management Limited	-	2,000.00	-	-	2,000.00
Sale of preference shares					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	500.00	-	-	500.00
IIFL Holdings Limited (Formerly India Infoline Limited)	600.00	-	-	-	600.00
Capital Gain on Sale of Investment					
IIFL Wealth Management Limited	-	20.34	-	-	20.34
Guarantee Commission					
India Infoline Media and Research Services Limited	-	0.15	-	-	0.15
India Infoline Insurance Brokers Limited	-	1.09	-	-	1.09
IIFL Realty Limited	-	2.38	-	-	2.38
Delayed Paying Charges					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	5.08	-	-	5.08
Debenture Issue Expense					
India Infoline Limited (Formerly known as India Infoline Distribution Company Limited)	-	9.61	-	-	9.61
Purchase of Immovable Assets					
IIFL Realty Limited	-	2.19	-	-	2.19

c) Balance outstanding at the end of the year: **(₹ In Millions)**

Nature of Transaction	Holding Company	Fellow Subsidiaries	Group Companies	Key Management Personnel	Total
Sundry payable					
IIFL Realty Limited	-	6.87	-	-	6.87
India Infoline Commodities Limited	-	0.18	-	-	0.18
ICD payable					
IIFL Realty Limited	-	1,020.00	-	-	1,020.00
Collateral given (On behalf of)					
IIFL Realty Limited	-	1,680.00	-	-	1,680.00
IIFL Insurance Brokers Limited	-	200.00	-	-	200.00
India Infoline Media and Research Services Limited	-	130.00	-	-	130.00

Financial Year 2013-14

(a) Related parties where control exists:

Nature of relationship	Name of party
Holding Company	IIFL Holdings Limited (Formerly known as India Infoline Limited)
Direct Subsidiaries	India Infoline Housing Finance Limited
Fellow Subsidiaries	India Infoline Commodities Limited
	India Infoline Media & Research Services Limited
	IIFL Capital Limited
	India Infoline Limited (Formerly India Infoline Distribution Company Limited)

Nature of relationship	Name of party
	India Infoline Insurance Services Limited
	India Infoline Insurance Brokers Limited
	IIFL Wealth Management Limited
	IIFL Realty Limited
	IIFL (Asia) Pte. Limited
	IIFL Capital Ceylon Limited(*)
	IIFL Securities Ceylon (Pvt.) Limited(**)
	IIFL Private Wealth Hong Kong Limited
	IIFL Private Wealth (Mauritius) Limited
	IIFL Private Wealth Management (Dubai) Limited
	India Infoline Commodities DMCC
	IIFL Inc
	IIFL Wealth (UK) Limited
	IIFL Capital Inc
	IIFL Private Wealth (Suisse) SA
Group Companies	IIFL Distribution Services Private Limited
	IIFL Investment Advisor and Trustee Services Limited (Formerly known as IIFL Trustee Services Limited)
	IIFL Capital Pte. Limited
	IIFL Securities Pte Limited
	India Infoline Trustee Company Limited
	India Infoline Asset Management Company Limited
	IIFL Alternate Asset Advisors Limited
Key Management Personnel	Nirmal Jain
	R. Venkataraman
	Mukesh Kumar Singh
Other related parties:	Madhu Jain (Wife of Mr. Nirmal Jain)
	Aditi Venkataraman (Wife of Mr. R Venkataraman)
	India Infoline Foundation

* IIFL Capital Ceylon Limited was related party up to 20th March 2014.
**IIFL Securities Ceylon (Pvt.) Limited was related party up to 30th December 2013.

(b) Significant Transaction with Related Parties:

(₹ In Millions)

Nature of Transaction	Holding Company	Fellow Subsidiaries	Group Companies	Key Management Personnel	Total
Interest Income					
India Infoline Limited	-	0.76	-	-	0.76
IIFL Wealth Management Limited	-	50.90	-	-	50.90
IIFL Distribution Services Private Limited	-	-	1.30	-	1.30
Interest Expense					
India Infoline Limited	-	0.41	-	-	0.41
IIFL Wealth Management Limited	-	0.01	-	-	0.01
India Infoline Commodities Limited	-	0.84	-	-	0.84
Referral Fees Income					
IIFL Wealth Management Limited.	-	69.57	-	-	69.57
Arranger/ Management/ Marketing Support/ Processing Fees/ Advisory Expenses/ Referral Fees					
India Infoline Limited	-	1.00	-	-	1.00
India Infoline Media and Research Services Limited	-	34.81	-	-	34.81
IIFL Wealth Management Limited.	-	50.29	-	-	50.29
IIFL Realty Limited	-	11.85	-	-	11.85

Nature of Transaction	Holding Company	Fellow Subsidiaries	Group Companies	Key Management Personnel	Total
Rent Expenses					
IIFL Realty Limited	-	8.19	-	-	8.19
Debenture Issue Expense					
India Infoline Limited	-	5.48	-	-	5.48
Commission/ Brokerage Expense					
IIFL Wealth Management Limited	-	0.55	-	-	0.55
India Infoline Limited	-	1.68	-	-	1.68
Director's Remuneration					
Director's Remuneration	-	-	-	8.31	8.31
Equity Dividend					
IIFL Holdings Limited	586.17	-	-	-	586.17
ICD Taken					
India Infoline Limited	-	1,200.00	-	-	1,200.00
India Infoline Commodities Limited	-	675.00	-	-	675.00
ICD Returned					
India Infoline Limited	-	1,200.00	-	-	1,200.00
India Infoline Commodities Limited	-	675.00	-	-	675.00
ICD Given					
India Infoline Limited	-	2,300.00	-	-	2,300.00
IIFL Wealth Management Limited	-	1,631.00	-	-	1,631.00
IIFL Distribution Services Private Limited	-	-	300.00	-	300.00
ICD Received Back					
India Infoline Limited	-	2,300.00	-	-	2,300.00
IIFL Wealth Management Limited	-	1,631.00	-	-	1,631.00
IIFL Distribution Services Private Limited	-	-	300.00	-	300.00
Advance Taken (#)					
India Infoline Limited	-	7.00	-	-	7.00
India Infoline Commodities Limited	-	450.00	-	-	450.00
Advance Returned (#)					
India Infoline Limited	-	7.00	-	-	7.00
India Infoline Commodities Limited	-	450.00	-	-	450.00
Preference Share Allotment (**)					
IIFL Holdings Limited	1,350.00	-	-	-	1,350.00
Purchase of Investment (Net)					
India Infoline Limited	-	1,389.50	-	-	1,389.50
Allocation / Reimbursement of expenses paid					
India Infoline Limited	-	356.68	-	-	356.68
Allocation / Reimbursement of expenses paid others					
India Infoline Limited	-	40.99	-	-	40.99
India Infoline Media and Research Services Limited	-	23.42	-	-	23.42
India Infoline Insurance services Limited	-	0.04	-	-	0.04
IIFL Wealth Management Limited	-	2.58	-		2.58
India Infoline Asset Management Company Limited	-	-	0.01	-	0.01
Allocation / Reimbursement of expenses received					
IIFL Wealth Management Limited	-	0.14	-	-	0.14
India Infoline Limited	-	4.13	-	-	4.13
India Infoline Insurance Brokers Limited	-	0.02	-	-	0.02

#Represents maximum amount outstanding at any time during the year.

**6 % Convertible Preference Shares of ₹ 10/- each, amounting ₹ 1,350.0 mn was allotted to IIFL Holdings Limited (Formerly known as India Infoline limited) which has subsequently been purchased by India Infoline Finance Limited.

(c) Closing balance: **(₹ In Millions)**

Nature of Transaction	Holdings Company	Fellow Subsidiaries	Group Companies	Key Management Personnel	Total
Sundry Payable					
IIFL Realty Limited	-	2.8	-	-	2.8
Collateral Given (On behalf of)					
IIFL Realty Limited	-	850.0	-	-	850.0
IIFL Insurance Brokers Limited	-	200.0	-	-	200.0

39. Corporate Social Responsibility

Financial Year 2017-18

During the financial year 2017-2018, the Group has spent ₹ 108.09 mn out of the total amount of ₹ 108.09 mn required to be spent as per section 135 of the Companies Act, 2013 in respect of Corporate Social Responsibility (CSR). The aforementioned amount has been contributed to India Infoline Foundation.

Financial Year 2016-17

During the financial year 2016-2017, the Company has spent ₹ 70.25 mn out of the total amount of ₹ 70.25 mn required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility (CSR). The Company was focused on implementing long term high impact projects approved by the CSR Committee. IIFL Group is committed to supporting development of the country by contributing to achieving the sustainable development goals and all its activities are directed towards this. Going forward these projects will be consolidated and scaled to achieve a larger and deeper impact. The key projects include eradicating the girl child illiteracy from the state of Rajasthan in 10 years, financial literacy and financial inclusion and preventive health camps.

Financial Year 2015-16

During the financial year 2015-2016, the Company has spent ₹ 59.52 mn out of the total amount of ₹ 59.52 mn required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility (CSR). The Company was focused on implementing the projects identified by the CSR Committee and had successfully completed most of the projects. The Company had substantially utilised the amount required to be spent on CSR projects. The Company has plans to further increase the spent in the years to come through its dedicated efforts.

Financial Year 2014-15

During the financial year 2014-2015, the Company could spend ₹ 13.70 mn out of the total amount of ₹ 44.36 mn required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility. The Company aims to undertake CSR projects through selection, implementation and monitoring in a strategic and systematic manner, to ensure sustainable long-term impact. To this end, during the financial year 2014-15 the Company focused on establishing the system and process to enable the same. In the years to come, the Company envisages to enhance the scope of its CSR projects and increase the quantum of CSR expenditure into greater number of impact-driven projects.

40. Additional Information pursuant to para 2 of general instructions for the preparations of Consolidated Financial Statements:

Financial Year 2017-18

(₹ in Millions)

Name of entity	Net Assets*		Share in profit or loss*	
	as % of consolidated net assets	Amount	as % of consolidated profit or loss	Amount
India Infoline Finance Limited	65.33%	25,665.09	64.43%	3,571.26
Indian Subsidiaries				
India Infoline Housing Finance Limited	29.31%	11,512.78	35.22%	1,951.97
Samasta Microfinance Limited	5.46%	2,144.84	0.35%	19.57
Clara Developers Private Limited	0.00%	0.13	0.00%	(0.01)
Subtotal	100%	**39,322.84**	100%	**5,542.79**
Minority Interest in subsidiaries	(0.09%)	(37.05)	0.00%	(0.22)
Total		**39,285.79**		**5,543.01**

* Net of elimination.

Financial Year 2016-17

(₹ in Millions)

Name of entity	Net Assets		Share in profit or loss	
	as % of consolidated net assets	Amount	as % of consolidated profit or loss	Amount
India Infoline Finance Limited	76%	33,115.11	80%	3,427.28
Indian Subsidiaries				
India Infoline Housing Finance Limited	22%	9,535.00	20%	835.57
Samasta Microfinance Limited	2%	645.62	0%	2.06
Subtotal	**100%**	**43,295.73**	**100%**	**4,264.91**
Adjustment arising out of consolidation		(7,847.22)		(32.54)
Minority Interest in subsidiaries		37.27		(0.41)
Total		**35,485.78**		**4,231.96**

Financial Year 2015-16

(₹ in Millions)

Name of entity	Net Assets		Share in profit or loss	
	as % of consolidated net assets	Amount	as % of consolidated profit or loss	Amount
India Infoline Finance Limited	82%	23,094.12	79%	2,717.32
Indian Subsidiaries				
India Infoline Housing Finance Limited	18%	5,179.34	21%	720.59
Subtotal	**100%**	**28,273.46**	**100%**	**3,437.91**
Adjustment arising out of consolidation		(3,633.25)		(50.91)
Minority Interest in subsidiaries		-		-
Total		**24,640.21**		**3,387.00**

Note: Details for Financial Year 2014-15 and 2013-14 is not given since not reported.

41. Unhedged Foreign Currency Exposure:

The unhedged foreign currency exposure as on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014 is Nil.

42. During the financial year 2016-17, CDC Group PLC [CDC], the United Kingdom's government-owned development finance institution, made a strategic investment in the Company. CDC invested ₹ 10,050.14 mn through 43,334,409 Compulsorily Convertible Preference Shares (CCPS) and 100 Equity Shares (Equity and CCPS together hereinafter referred as subscription shares) at a price of ₹ 231.92 per subscription share. Pursuant to this, upon conversion, CDC shall hold a stake of 15.45% of the total outstanding equity share capital of the company on a fully diluted basis.

43. During the year ended March 31, 2017 and pursuant to necessary regulatory approval, the Company had acquired the control and management of Samasta Microfinance Limited ("Samasta"), a Non Banking Finance Company – Micro Finance Institution [NBFC-MFI] registered with RBI and based in Bangalore, by purchase of equity shares and infusion of additional equity share capital in Samasta. As on March 31, 2017 India Infoline Finance Limited held 95.23% of the equity share capital of Samasta. Pursuant to this, Samasta and its subsidiary i.e: Ayusha Dairy Private Limited have become subsidiaries of the Company.

44. Composite Scheme of Arrangement:

Financial Year 2017-18

The Board of Directors of the Company at its meeting held on January 31, 2018, has approved the Composite Scheme of Arrangement amongst IIFL Holdings Limited ("IIFL Holdings"), India Infoline Media and Research Services Limited ("IIFL M&R"), IIFL Securities Limited ("IIFL Securities") (formerly India Infoline Limited), IIFL Wealth Management Limited ("IIFL Wealth"), IIFL Distribution Services Limited ("IIFL Distribution"), and the Company and their respective shareholders, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") which inter-alia,

envisages the merger of the Company with IIFL Holdings. The appointed date for the merger is opening hours of April 01, 2018. The Scheme will be given effect to on receipt of requisite approvals of National Company Law Tribunal and other authorities.

45. Disclosure on Specified Bank Notes (SBNs):

Financial Year 2016-17

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 and the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise
SBNs and other notes as per the notification is given below:

(₹ in Millions)

Particulars	Specified Bank Notes	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	334.45	69.14	403.59
(+) Permitted receipts	101.85	4,090.68	4,192.53
(-) Permitted payments	-	3,154.62	3,154.62
(-) Amount deposited in Banks	436.30	755.47	1,191.77
Closing cash in hand as on 30.12.2016	-	249.73	249.73

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

46. Figures pertaining to subsidiary companies have been reclassified wherever necessary to bring them in line with parent company's financial statements for March 31,2018, March 31,2017, March 31,2016, March 31,2015 and March 31,2014.

47. The comparative financial information for the year ended March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 was audited by the previous auditors of the Company.

48. Previous Year's figures are regrouped, reclassified and rearranged wherever considered necessary to confirm to current year's presentation.

For and on behalf of the Board of Directors
of India Infoline Finance Limited

R. Venkataraman
Whole-time Director
DIN : 00011919

Sumit Bali
Executive Director and CEO
DIN : 02896088

Prabodh Agrawal
Chief Financial Officer

Place : Mumbai
Dated: November 13, 2018

REPORT OF THE INDEPENDENT AUDITOR ON THE REFORMATTED SUMMARY STANDALONE FINANCIAL STATEMENTS

To the Board of Directors of

India Infoline Finance Limited

Report on the Reformatted Summary Standalone Financial Statements

1) The accompanying Reformatted Summary Standalone Financial Statements of **India Infoline Finance Limited** (the "Company"), which comprise the Reformatted Summary Standalone Statement of Assets and Liabilities as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014, and also the Reformatted Summary Standalone Statement of Profit and Loss and the Reformatted Summary Standalone Cash Flow Statement for the years ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014, and a summary of the significant accounting policies and other explanatory information (together comprising the "**Reformatted Summary Standalone Financial Statements**") are derived from the audited standalone financial statements of the Company for the respective years audited by us/previous auditor as detailed in paragraph 3(a) to 3(b) below (referred to as the "Audited Standalone Financial Statements).

2) The Reformatted Summary Standalone Financial Statements have been prepared by the Management of the Company on the basis of Note 1A to the Reformatted Summary Standalone Financial Statements and have been approved by the Finance Committee of Board of Directors.

3) (a) We expressed our opinion on the Audited Standalone Financial Statements of the Company for the year ended March 31, 2018 vide our report dated May 2, 2018;

(b) The Standalone Financial Statements of the Company for the financial years ended March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 were audited by the previous auditor, on which they have expressed their opinion vide their reports dated May 4, 2017, May 4, 2016, May 7, 2015 and May 13, 2014 respectively. In relation to the aforesaid standalone financial statements audited by the previous auditor, we have not carried out any audit tests or review procedures, and, accordingly reliance has been placed on the standalone financial statements audited by the previous auditor for the said years and the audit reports thereon.

4) The previous auditor has issued a report on reformatted summary standalone financial statements dated November 2, 2018 for the years ended March 31, 2017, 2016, 2015 and

2014. Our reporting on these years, i.e. March 31, 2017, 2016, 2015 and 2014 are solely based on the report submitted by previous auditor on which we have placed reliance.

5) The Reformatted Summary Standalone Financial Statements as at and for the years ended March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014 reported upon by previous auditor on which reliance has been placed by us, have been regrouped/ reclassified wherever necessary to correspond with the presentation/disclosure requirements of the financial year ended March 31, 2018. The figures included in the Reformatted Summary Standalone Financial Statements, do not reflect the effect of events that occurred subsequent to the date of our report / the reports of the previous auditor on the respective periods referred to in paragraph 3(a) and 3(b) above.

6) **Management's Responsibility for the Reformatted Summary Standalone Financial Statements**

Management is responsible for the preparation of the Reformatted Summary Standalone Financial Statements, as mentioned in paragraph 1 above, on the basis of Note 1A to the Reformatted Summary Standalone Financial Statements. Management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the Reformatted Summary Standalone Financial Statements that are free from material misstatement, whether due to fraud and error. The Management and the Board of Directors are also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations that determine the reported amounts and disclosures in the Reformatted Summary Standalone Financial Statements.

7) **Auditor's Responsibility**

Our responsibility is to express an opinion on the Reformatted Summary Standalone Financial Statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

8) **Opinion**

In our opinion and as per the reliance placed on the report submitted by previous auditor, the Reformatted Summary Standalone Financial Statements derived from the Audited Standalone Financial Statements of the Company for the respective years are a fair summary of the Audited Standalone Financial Statements of the respective years on the basis described in Note 1A to the Reformatted Summary Standalone Financial Statements.

9) **Other matters**

a. This report should not in any way be construed as a re-audit and consequently, re-issuance or re-dating of any of the previous audit reports issued by us and/or by other firms of Chartered Accountants on the Reformatted Summary Standalone Financial Statements.

b. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10) **Restrictions on Use**

This report is addressed to and is provided to enable the Company to include this report in the Draft Shelf Prospectus and/or Shelf Prospectus (collectively the "Offer Documents") in

connection with the public issue by the Company of Secured Redeemable Non-Convertible Debentures and Unsecured Redeemable Non-Convertible Debentures, to be filed by the Company with BSE Limited, National Stock Exchange of India Limited and the Securities and Exchange Board of India. The Reformatted Summary Standalone Financial Statements may, therefore, not be suitable for another purpose or distributed to any other person, without our prior written consent.

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

Pallavi A. Gorakshakar
Partner
(Membership Number: 105035)

MUMBAI, 13 November, 2018

Reformatted Summary Standalone Statement of Assets and Liabilities

(₹ in Millions)

Particulars	Notes	As at March 31,2018	As at March 31,2017	As at March 31,2016	As at March 31,2015	As at March 31,2014
I EQUITY AND LIABILITIES						
(1) Shareholders' funds						
(a) Share Capital	5	2,807.42	3,555.00	5,621.54	5,621.54	2,371.54
(b) Reserve and Surplus	6	32,146.92	29,560.12	17,472.58	15,853.08	14,112.76
Sub-Total		**34,954.34**	**33,115.12**	**23,094.12**	**21,474.62**	**16,484.30**
(2) Share application money pending allotment		-	-	-	-	-
(3) Non-Current Liabilities						
(a) Long-term borrowings	7	46,439.00	58,172.23	53,651.24	79,796.24	52,250.02
(b) Other Long-term liabilities	8	255.09	1,019.10	941.95	890.88	491.80
(c) Long-term provisions	9	816.28	650.70	508.10	651.94	409.43
Sub-Total		**47,510.37**	**59,842.03**	**55,101.29**	**81,339.06**	**53,151.25**
(4) Current Liabilities						
1(a) Short-term borrowings	10	79,210.68	45,086.02	25,494.14	31,270.57	26,885.11
(b) Trade payables						
- Total outstanding dues of micro enterprises and small enterprises;	11	-	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	11	412.66	298.83	427.06	540.97	408.38
(c) Other current liabilities	12					
-Current maturities of long term borrowings		19,423.29	11,603.84	30,492.98	13,608.83	16,608.19
-Others		6,692.04	5,436.57	7,032.37	3,234.77	2,527.62
(d) Short-term provisions	9	561.90	803.47	526.73	534.72	116.24
Sub-Total		**106,300.57**	**63,228.73**	**63,973.28**	**49,189.86**	**46,545.54**
TOTAL		**188,765.28**	**156,185.88**	**142,168.69**	**152,003.54**	**116,181.09**
II ASSETS						
(1) Non-current assets						
(a) Fixed assets						
(i) Tangible assets	13	626.97	521.08	580.28	726.34	959.03
(ii) Intangible assets	14	13.07	2.20	0.02	0.12	0.22
(iii) Capital work-in-progress		41.94	12.90	4.70	5.65	2.56
Sub-Total		**681.98**	**536.18**	**585.00**	**732.11**	**961.81**
(b) Non-current investments	15	22,188.69	18,655.10	7,961.73	6,641.79	5,825.38
(c) Deferred tax assets (Net)	16	1,367.17	1,099.06	927.13	799.41	482.87
(d) Long-term loans & advances	17					
-Loans		56,853.39	46,073.27	46,588.18	35,346.38	30,663.82
-Others		1,842.10	1,469.62	1,045.86	800.78	191.65
(e) Other non-current assets	18	1,171.50	484.80	448.27	269.43	168.37
Sub-Total		**83,422.85**	**67,781.85**	**56,971.17**	**43,857.79**	**37,332.09**
(2) Current assets						
(a) Current investments	19	8,856.24	10,341.57	3,202.37	7,144.82	5,269.22
(b) Inventories	20	-	-	-	-	70.49
(c) Trade receivables	21	207.19	1,692.55	1,060.03	427.79	731.72
(d) Cash and cash equivalents	22	9,233.29	17,349.29	5,389.28	9,884.29	5,652.44
(e) Short-term loans & advances	17					
-Loans		78,289.17	53,827.94	70,322.75	82,761.37	61,652.48
-Others		4,699.67	2,582.78	3,314.79	5,184.47	3,488.61
(f) Other current assets	18	3,374.89	2,073.72	1,323.30	2,010.90	1,022.23
Sub total		**104,660.45**	**87,867.85**	**84,612.52**	**107,413.64**	**77,887.19**
TOTAL		**188,765.28**	**156,185.88**	**142,168.69**	**152,003.54**	**116,181.09**
See accompanying notes forming part of the reformatted summary standalone financial statements	1 – 48					

In terms of our report attached.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

For and on behalf of the Board of Directors
of India Infoline Finance Limited

Pallavi A. Gorakshakar
Partner

Place: Mumbai
Date: November 13, 2018

R. Venkataraman
Whole-time Director
DIN : 00011919

Sumit Bali
Executive Director and CEO
DIN : 02896088

Prabodh Agrawal
Chief Financial Officer

Reformatted Summary Standalone Statement of Profit and Loss

(₹ in Millions)

Particulars	Notes	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
1. REVENUE						
a. Revenue from operations	23	24,991.01	22,636.98	21,767.66	21,450.92	17,356.03
b. Other Income	24	60.93	5.26	148.86	136.09	426.08
Total Revenue (a + b)		**25,051.94**	**22,642.24**	**21,916.52**	**21,587.01**	**17,782.11**
2. EXPENSES						
a. Employee benefit expenses	25	2,881.59	2,183.66	2,011.64	2,027.54	1,625.31
b. Finance cost	26	12,119.05	12,025.94	12,842.52	12,702.71	10,720.64
c. Depreciation & amortisation expenses	27	144.28	149.82	266.77	312.21	387.15
d. Other expenses	28	2,031.40	1,618.19	1,764.00	1,903.18	2,000.61
e. Provisions & write off	29	2,551.55	1,412.89	880.80	928.02	374.91
Total Expenses		**19,727.87**	**17,390.50**	**17,765.73**	**17,873.66**	**15,108.62**
3. Profit before tax (1 - 2)		**5,324.07**	**5,251.74**	**4,150.79**	**3,713.35**	**2,673.49**
4. Tax expenses :						
Current Tax		2,053.10	1,970.48	1,561.20	1,532.06	1,051.74
Deferred tax	16	(268.11)	(171.93)	(127.73)	(316.54)	(172.87)
Current taxexpense relating to prior years		(5.89)	25.91	-	20.58	-
Total tax expense		**1,779.10**	**1,824.46**	**1,433.47**	**1,236.10**	**878.87**
5. Profit for the Year (3 - 4)		**3,544.97**	**3,427.28**	**2,717.32**	**2,477.25**	**1,794.62**
6. Earnings Per Share (Face Value ₹ 10 each)	30					
- Basic		14.70	13.90	10.14	10.26	7.57
- Diluted		12.44	12.69	10.14	10.26	7.57
See accompanying notes forming part of the reformatted summary standalone financial statements	1 – 48					

In terms of our report attached.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

For and on behalf of the Board of Directors
of India Infoline Finance Limited

Pallavi A. Gorakshakar
Partner

Place: Mumbai
Date: November 13, 2018

R. Venkataraman
Whole-time Director
DIN : 00011919

Sumit Bali
Executive Director and CEO
DIN : 02896088

Prabodh Agrawal
Chief Financial Officer

REFORMATTED SUMMARY STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED

REFORMATTED SUMMARY STANDALONE CASH FLOW STATEMENT

(₹ in Millions)

Particulars	2017-2018		2016-2017		2015-2016		2014-2015		2013-2014	
CASH FLOWS FROM OPERATING ACTIVITIES										
Profit before tax		5,324.07		5,251.74		4,150.79		3,713.35		2,673.49
Adjustments for:										
Depreciation and amortisation expenses	144.28		149.82		266.77		312.21		387.15	
Provision for doubtful loans	(130.17)		683.80		456.44		416.45		243.81	
Provision against standard assets	163.40		-		10.00		199.75		43.50	
Provision for diminution in value of investments	366.30		(25.09)		-		14.39		11.75	
Provision for contingencies	(15.41)		144.63		1.72		209.56		43.42	
Interest on Fixed deposits with Banks	(575.93)		(483.35)		(198.59)		(154.91)		(74.94)	
Interest Expense	11,811.55		11,787.04		12,629.77		12,488.57		10,462.99	
Income from financing activities	(22,241.20)		(20,331.70)		(19,925.12)		(20,467.99)		(16,558.94)	
(Profit) / Loss on Sale of Fixed Assets [net]	(0.75)		8.94		6.97		2.41		18.93	
Profit on Sale of Investments [net]	(1,009.49)		(1,061.76)		(736.81)		(288.43)		(249.40)	
(Profit) / Loss on Buy back of Commercial Paper [net]	4.31		(0.00)		9.10		2.10		(13.64)	
(Profit) / Loss on Buy back of Debentures [net]	4.23		(58.86)		(6.86)		0.65		-	
Premium paid on early redemption of Debentures	101.84		-		-		-		-	
Interest received on Fixed deposits with Banks	568.27		436.20		191.78		146.21		74.11	
Interest paid	(13,002.97)		(12,469.76)		(11,664.04)		(12,213.84)		(9,511.05)	
Income received from financing activities	21,081.12		20,349.88		22,145.39		18,750.67		15,827.08	
Gratuity & leave enchasment	58.91	(2,671.71)	31.42	(838.79)	30.19	3,216.71	17.13	(565.07)	25.49	730.26
Operating profit before working capital changes		**2,652.36**		**4,412.95**		**7,367.50**		**3,148.28**		**3,403.75**
Decrease / (Increase) in Current and Non-Current Assets	236.53		(806.77)		168.77		1,545.29		333.94	
Increase / (Decrease) in Current and Non-Current Liabilities	1,111.29	1,347.82	(966.74)	(1,773.51)	2,683.36	2,852.13	740.78	2,286.07	44.55	378.49
Cash generated from operations		**4,000.18**		**2,639.44**		**10,219.63**		**5,434.35**		**3,782.24**
Taxes paid		(2,231.19)		(1,990.91)		(2,028.98)		(1,727.03)		(918.31)
Net cash from operating activities		**1,768.99**		**648.53**		**8,190.65**		**3,707.32**		**2,863.93**
Loans (disbursed) / repaid [net]		(36,498.60)		16,279.22		347.27		(27,309.47)		(9,173.17)
Net cash (used in)/from operating activities (A)		**(34,729.61)**		**16,927.75**		**8,537.92**		**(23,602.15)**		**(6,309.24)**
CASH FLOWS FROM INVESTING ACTIVITIES										
Purchase of Fixed Assets		(299.56)		(114.04)		(189.48)		(91.51)		(406.52)
Sale of Fixed Assets		10.24		4.10		62.86		6.60		22.26
Investments in Subsidiaries		(500.15)		(4,564.29)		(2,399.77)		-		(1,005.00)
Purchase of Investments		(2,235,886.81)		(1,338,830.24)		(1,057,226.38)		(730,932.71)		(651,636.84)
Proceeds from sale/maturity of Investments		2,234,981.87		1,326,648.82		1,062,985.46		728,514.73		651,223.22
Fixed deposits placed		(8,181.81)		(9,738.97)		(1,213.44)		(1,311.91)		(3,205.94)
Fixed deposits matured		7,930.27		3,491.10		1,462.81		255.20		4,379.53
Net cash used in investing activities (B)		**(1,945.95)**		**(23,103.52)**		**3,482.06**		**(3,559.60)**		**(629.29)**
CASH FLOWS FROM FINANCING ACTIVITIES										

REFORMATTED SUMMARY STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED

Particulars	2017-2018		2016-2017		2015-2016		2014-2015		2013-2014	
Proceeds from Issue of Preference Share capital		-		10,050.12		-		3,250.00		-
Share Issue Expenses		-		(10.05)		-		-		-
Redemption of Preference Share Capital		(750.00)		(2,500.00)		-				-
Proceeds from Issue of Equity Share Capital		21.50		0.93		-		-		-
Dividend paid (including dividend distribution tax)		(1,049.48)		(1,050.39)		(965.77)		(693.65)		(693.65)
Proceeds towards Long-term borrowings		25,850.00		31,655.01		13,346.33		45,753.03		18,996.47
Repayment of Long-term borrowings		(29,869.84)		(45,964.30)		(22,600.30)		(21,206.80)		(6,856.87)
Proceeds towards Short-term borrowings		2,911,308.45		3,333,736.40		199,951.74		252,041.21		122,655.83
Repayment of Short-term borrowings		(2,876,499.36)		(3,314,174.84)		(205,809.10)		(247,612.10)		(129,001.36)
Net cash from financing activities (C)		**29,011.26**		**11,742.88**		**(16,077.10)**		**31,531.69**		**5,100.42**
Net (Decrease) / Increase in cash and cash equivalents (A + B + C)		**(7,664.30)**		**5,567.11**		**(4,057.12)**		**4,369.94**		**(1,838.11)**
Add : Opening Cash and cash equivalents as at the beginning of the year		**9,199.67**		**3,632.56**		**7,689.68**		**3,319.74**		**5,157.85**
Cash and cash equivalents as at the end of the year		**1,535.37**		**9,199.67**		**3,632.56**		**7,689.68**		**3,319.74**
Add : Earmaked balances with banks		213.52		218.62		11.58		9.30		985.57
Add : Fixed deposits considered in Investing activities		7,484.40		7,931.00		1,745.14		2,185.31		1,347.13
Cash and cash equivalents as at the end of the year		**9,233.29**		**17,349.29**		**5,389.28**		**9,884.29**		**5,652.44**
See accompanying notes forming part of the reformatted summary standalone financial statements (1-48)										

In terms of our report attached.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

For and on behalf of the Board of Directors
of India Infoline Finance Limited

Pallavi A. Gorakshakar
Partner

Place: Mumbai
Date: November 13, 2018

R. Venkataraman
Whole-time Director
DIN : 00011919

Sumit Bali
Executive Director and CEO
DIN : 02896088

Prabodh Agrawal
Chief Financial Officer

1A. The Company has prepared the Reformatted Summary Standalone Statement of Assets and Liabilities as at March 31, 2018, 2017, 2016, 2015, 2014 and Reformatted Summary Standalone Statements of Profit and Loss and the Reformatted Summary Standalone Cash Flow Statements for the years ended March 31, 2018, 2017, 2016, 2015, 2014 and the significant accounting policies and other explanatory information (together comprising the "Reformatted Summary Standalone Financial Statements"). Accordingly these Reformatted Summary Standalone Financial Statements will be included in the draft prospectus proposed to be filed by the Company with the National Stock Exchange of India Limited, BSE Limited, Securities and Exchange Board of India (the "SEBI") and the Registrar of Companies – Mumbai (the "Draft Prospectus") and the prospectus proposed to be filed with the National Stock Exchange of India Limited, BSE Limited, SEBI and the Registrar of Companies - Mumbai, (the "Prospectus") in connection with the proposed public issue by the Company of Secured Redeemable Non-Convertible Debentures and Unsecured Redeemable Non-Convertible Debentures.

The Reformatted Summary Standalone Financial Statement are based on and have been extracted by the Management of the Company from the Audited Standalone Financial Statements of the Company for the years ended March 31, 2018, 2017, 2016, 2015 and 2014. The Reformatted Summary Standalone Financial Statements as at and for the years ended March 31, 2017, 2016, 2015, 2014 has been regrouped / reclassified wherever necessary to correspond with the presentation / disclosure in line Audited Standalone Financial Statements for the year ended March 31, 2018 to comply with requirements of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended to date (the "SEBI (ILDS) Regulations") issued by the Securities and Exchange Board of India (the "SEBI").

These Reformatted Summary Standalone Financial Statements, do not reflect the effects of events that occurred subsequent to the dates of approval of the audited standalone financial statements of the respective years by the Board of Directors of the Company and also do not reflect the effects of change in accounting policies from one year to another, if any.

Financial Year 2017-18

1. Corporate information

India Infoline Finance Limited (the "Company") is a systemically important Non-Banking Financial Company not accepting public deposits ("NBFC-ND-SI") registered with the Reserve Bank of India ("RBI") under section 45-IA of the Reserve Bank of India Act, 1934 and primarily engaged in financing and related activities. The Company has received the certificate of registration from RBI on May 12, 2005, enabling the Company to carry on business as Non-Banking Financial Company. The Company offers broad suite of financial products such as mortgage loan, gold loan, loan against securities, commercial vehicle loan, loans to small & medium enterprise ("SME") and health care finance to retail and corporate clients.

2. Basis of preparation of financial statements

The financial statements of the Company have been prepared under the historical cost convention on accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles in India (IGAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act 2013 and the relevant provisions of the Companies Act 2013 along with the guidelines/directions issued by Reserve Bank of India ("RBI") as applicable to NBFC's.

3. Use of estimates

The preparation of financial statements, in conformity with IGAAP requires the management to make estimates and assumptions that affect in the reported amount of assets, liabilities (including contingent liabilities), income and expenses reported in the financial statements. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates and the differences between the actual results and the estimates are recognized in the period in which the results are known /materialise.

4. Significant accounting policies:

i. Prudential norms

The Company follows the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01,

2016, as amended from time to time ("RBI Directions") in respect of income recognition, income from investments, accounting of investments, asset classification, provisioning and disclosures in the Balance Sheet.

ii. Cash and cash equivalents (for purposes of Cash Flow Statement)

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.

iii. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and 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.

iv. Fixed assets, depreciation and amortisation

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any thereon. Depreciation is charged using the straight line method, based on the useful life of fixed assets as estimated by the management, as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold. In case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the asset. Individual assets / group of similar assets costing up to ₹ 5,000 has been depreciated in full in the year of purchase. Leasehold land is depreciated on a straight line basis over the leasehold period.

Estimated useful life of assets is as under:

Class of assets	Useful life
Buildings*	20 years
Computers*	3 years
Office equipment	5 years
Electrical*	5 years
Furniture and fixtures*	5 years
Vehicles*	5 years
Software	3 years

* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Capital work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

v. Assignment of loan portfolio

De-recognition of loans assigned, in the books of the Company, is based on the concept of surrender of control over the loans resulting in a "true sale" of loans. Future interest spread receivables in case of a par structure deals are recognised over the tenure of agreements as per guidelines/directions issued by the Reserve Bank of India. Expenditure in respect of direct assignment is recognised upfront. Credit enhancement in the form of cash collateral provided by the Company is included under cash and bank balance / other assets, as applicable.

vi. Revenue recognition

Interest income

Interest income is recognised on accrual basis in the Statement of Profit and Loss, except in the case of non-performing assets (NPAs), where it is recognised in accordance with the RBI guidelines upon realisation. Interest income on investments is accounted on accrual basis. Dividend on equity shares, preference shares and on mutual fund units is recognised as income when the right to receive the dividend is established.

Fees and charges
Fees and charges are recognised as and when they become due and revenue can be reliably measured and reasonable right of recovery is established.

Profit and loss on sale of investments
Profit / loss on sale of investment are recognised on trade date basis. Profit / loss on sale of investments are determined after consideration of cost on weighted average basis.

Securitisation transactions
In accordance with the regulatory guidelines, gain arising on securitisation is amortised over the life of the securities issued by the Special Purpose Vehicle ("SPV"). Loss, if any, is recognised upfront in the Statement of Profit and Loss.

Assignment transactions
In accordance with the regulatory guidelines, gain arising on assignment is amortised over the residual life of the loan. Loss, if any, is recognised upfront in the Statement of Profit and Loss.

vii. Investments

Investments intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are stated at lower of cost and market/ fair value. Long-term investments (excluding investment properties) are carried at cost. However, provision for diminution, other than temporary, is made to recognise a decline in the value of the investments. An investment in buildings, which is not intended to be occupied substantially for use by, or in the operations of, the Company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

viii. Foreign currency transactions and translations

Initial recognition
Transactions in foreign currencies entered into by the Company are 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.
Measurement at the balance sheet
Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

ix. Employee benefits

Defined contribution plans
The Company's contribution towards Provident Fund and Family Pension Fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees and are accounted for on an accrual basis and recognised in the Statement of Profit and Loss.

Defined benefit plans
For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The company has provided for compensated absences on the basis of actuarial valuation.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

x. Operating leases

Lease rentals in respect of operating lease arrangements are charged to the Statement of Profit and Loss in accordance with Accounting Standard 19 on 'Leases'.

xi. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

xii. Taxes on income

Current tax is the amount of tax payable on the 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 is 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 realisability.

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

xiii. Provisions and write-offs on Loans and other credit facilities

Non-performing loans are written off / provided for, as per management estimates, subject to the minimum provision required by the RBI Directions. Delinquencies on assets securitised / assigned are provided for based on management estimates. Provision on standard assets is as per the RBI Directions.

xiv. Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are neither recognised nor disclosed in the financial statements.

xv. Borrowings

Borrowings are bifurcated under long term and short term liabilities. Commercial papers are recognised at face value at the time of its issue. Any difference between the proceeds and the redemption value is recognised in the Statement of Profit and Loss, over the period of borrowing.

xvi. Impairment of assets

The carrying amount of the assets at each Balance Sheet date is reviewed for impairment. If any indication of impairment based on internal / external factors exists, the recoverable amount of such assets is estimated and impairment is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and its value in use, which is arrived at by discounting the future cash flows to their present value, based on an appropriate discounting factor. If at the Balance Sheet date, there is an indication that previously recognised impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount, subject to a maximum of the depreciable historical cost and reversal of such impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

xvii. Debenture issue expenses

Debenture issue expenses including ancillary and other acquisition costs incurred on Non Convertible Debentures are amortized over tenure of the underlying debenture.

xviii. Deferred employee stock compensation

The stock options granted by the Company are accounted for in accordance with the Guidance Note on Accounting for Employee Share-based Payments, issued by The Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense, if any, is amortised over the vesting period of the option on a straight line basis.

xix. Derivative transactions

Mark to Market (MTM) valuation of the embedded derivative portion of borrowings by way of Market Linked Bonds and outstanding position in Market linked derivatives are recorded in accordance with principles enunciated in Accounting Standard 30 'Financial Instruments: Recognition and Measurement' and Guidance Note on Accounting for Derivative Contracts issued by the Institute of Chartered Accountants of India. MTM valuation is determined based on quotes available from exchange / counter party/ rating agency.

xx. Segment Reporting

The Company's primary business segments are reflected based on the principal business carried out, i.e. financing. All other activities of the Company revolve around the main business. The risk and returns of the

business of the Company is not associated with geographical segmentation, hence there is no secondary segment reporting based on geographical segment. As such, there are no separate reportable segments as per the Accounting Standard 17 on 'Segment Reporting'.

xxi. Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

Financial Year 2016 -17:

1. Corporate information:

The Company is a systemically important Non-Banking Financial Company not accepting public deposits ("NBFC-ND-SI") registered with the Reserve Bank of India (RBI) under section 45-IA of the Reserve Bank of India Act, 1934 and primarily engaged in financing and related activities. The Company has received the certificate of registration from RBI on May 12, 2005, enabling the Company to carry on business as Non-Banking Financial Company. The Company offers broad suite of financial products such as mortgage loan, gold loan, loan against securities, commercial vehicle loan, loans to small & medium enterprise (SME) and health care finance to retail and corporate clients.

2. Basis of preparation of financial statements:

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all material aspects of the applicable Accounting Standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014(as amended) and the relevant provisions of the Companies Act 2013 along with the guidelines/directions issued by Reserve bank of India (RBI) as applicable to NBFC's. The financial statements have been prepared on accrual basis under the historical cost convention.

3. Use of estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Difference between the actual result and estimates are recognized in the period in which the results are known /materialised.

4. Significant Accounting Policies:

i. Prudential norms:

The Company follows the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016, as amended from time to time in respect of income recognition, income from investments, accounting of investments, asset classification, provisioning and disclosures in the Balance Sheet. Accounting Standards (AS) under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014 issued by the Ministry of Corporate Affairs and Guidance Note issued by The Institute of Chartered Accountants of India ("ICAI") are followed in so far as they are not inconsistent with the RBI directions.

ii. Fixed assets:

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any thereon. Depreciation is charged using the straight line method based on the useful life of fixed assets as estimated by the management as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold. In case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the asset.

Individual assets / group of similar assets costing up to ₹ 5,000 has been depreciated in full in the year of purchase. Leasehold land is depreciated on a straight line basis over the leasehold period.

Estimated useful life of assets are as under:

Class of assets	Useful life
Buildings*	20 years
Computers*	3 years
Office equipment	5 years
Electrical*	5 years
Furniture and fixtures*	5 years
Vehicles*	5 years
Software	3 years

*For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

iii. Assignment of loan portfolio:

De-recognition of loans assigned, in the books of the Company, is based on the concept of surrender of control over the loans resulting in a "true sale" of loans. Future interest spread receivables in case of a par structure deals are recognised over the tenure of agreements as per guidelines/directions issued by the Reserve Bank of India. Expenditure in respect of direct assignment is recognised upfront. Credit enhancement in the form of cash collateral provided by the Company is included under cash and bank balance / loans and advances, as applicable.

iv. Revenue recognition:

The Company complies, in all material respects, with the Accounting Standard -9 issued by the Institute of Chartered Accountants of India, prudential norms relating to income recognition, asset classification and the minimum provisioning for bad and doubtful debts and standard assets, specified in the directions issued by the RBI, as applicable to it, and

a. Interest income is recognised on the time proportionate basis as per agreed terms.
b. Interest income is recognised and remaining due for more than 120 days for all the loans are reversed and are accounted as income when these are actually realised.
c. Dividend income is recognised when the right to receive payment is established.
d. Processing fees received from customers is recognised as income on receipt basis.
e. In respect of the other heads of income, the Company accounts the same on accrual basis.

v. Preliminary expenses:

Preliminary expenses are written off in the same financial year in which they are incurred.

vi. Employee benefits:

The Company's contribution towards Provident Fund and Family Pension Fund, which are defined contribution, are accounted for on an accrual basis and recognised in the Statement of Profit & loss. The Company has provided "Compensated Absences" on the basis of actuarial valuation.
Gratuity is post employment benefit and is in the nature of defined benefit plan. The liability recognized in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method.

vii. Provisions, contingent liabilities and contingent assets:

Non-performing loans are written off / provided for, as per management estimates, subject to the minimum provision required as per Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016. Provision on standard assets is also made as per the RBI Directions 2016.
The provision is recognised if, as a result of a past event, the company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.
Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.
Contingent assets are neither recognized nor disclosed in the financial statements.

viii. Taxes on income:

Tax expense comprises of current and deferred tax and includes any adjustments related to the past periods in current and /or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.Provision for current tax is computed based on estimated tax liability computed after adjusting for allowance, disallowance and exemptions in accordance with the applicable tax laws.
Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences of earlier year. Deferred tax is measured using the tax rate and the tax laws enacted or substantively enacted at the Balance Sheet date. The deferred tax assets are recognised only to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.
Carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

ix. Operating leases:

Lease rentals in respect of operating lease arrangements are charged to the Statement of Profit & Loss in accordance with Accounting Standard 19, issued by the Institute of Chartered Accountants of India.

x. Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other Investments are classified as non – current investments.

Current investments are stated at lower of cost or market / fair value. Non – current investments are carried at cost. Provision for diminution in value of non – current investments is made, if in the opinion of the management, such diminution is other than temporary. For investment in mutual funds, the net assets value (NAV) declared by the mutual funds at the Balance Sheet date is considered as the fair value.

xi. Inventories:

Closing stock is valued at cost or market value, whichever is lower. Cost is computed on FIFO basis.

xii. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xiii. Borrowings:

Borrowings are bifurcated under long term and short term liabilities. Commercial papers are recognised at face value at the time of its issue. Any difference between the proceeds and the redemption value is recognised in profit & loss account over the period of the borrowings.

xiv. Debenture issue expenses:

Debenture issue expenses including ancillary and other acquisition costs incurred on Non Convertible Debentures are amortized over tenure of the underlying debenture.

xv. Deferred Employee Stock Compensation:

The stock options granted by the Company are accounted for as per the accounting treatment prescribed by SEBI (Employee Stock Option Scheme and Employee Stock Purchase) Guideline, 1999 and the guidance note on Accounting for Stock Options issued by The Institute of Chartered Accountant of India, whereby the intrinsic value of the options are recognised as deferred employee compensation. The deferred employee compensation, if any, is charged to the Statement of Profit and Loss on a straight line basis over vesting period of the options.

xvi. Derivative Transactions:

Initial and additional margin paid over and above initial margin for entering into contracts for Equity Index/Stock Futures/Currency Futures/Interest Rate Futures and/or Equity Index/Stock Options/ Currency Options as the case may be (“Derivatives Portfolio”) which are released on final settlement/squaring-up of underlying contracts are disclosed under the head “Other Current Assets”.

"Equity Index/Stock Option/Currency Option Premium Account" represents premium paid or received for buying or selling the Options, respectively.

On final settlement or squaring up of contracts for Derivatives Portfolio, the realized profit or loss after adjusting the unrealized loss already accounted, if any, is recognized in the Statement of Profit and Loss. On settlement or squaring up of Derivatives Portfolio before expiry, the premium, prevailing in "Equity Index/Stock Option/Currency Option Premium Account" on that date is recognized in the Statement of Profit and Loss.

As at the Balance Sheet date, the Mark to Market/Unrealised Profit/(Loss) on all outstanding Derivative portfolio comprising of Securities and Equity/Currency Derivatives positions is determined on scrip basis with net unrealized losses on scrip basis being recognized in the Statement of Profit and Loss and the net unrealized gains on scrip basis are ignored.

Financial Year 2015-16:

1. **Basis of preparation of financial statements:**

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all material aspects of the applicable Accounting Standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014(as amended) and the relevant provisions of the Companies Act 2013 along with the guidelines issued by Reserve bank of India (RBI) as applicable to NBFC's. The financial statements have been prepared on accrual basis under the historical cost convention.

2. **Prudential norms:**

The Company follows the Reserve Bank of India ("RBI") directions in respect of systemically important non-banking financial (Non-Deposit Accepting or Holding) companies prudential norms (Reserve Bank) directions, 2015 ("RBI Directions, 2015) dated March 27, 2015, as amended from time to time in respect of income recognition, income from investments, accounting of investments, asset classification, provisioning and disclosures in the Balance Sheet. Accounting Standards (AS) under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014 issued by the Ministry of Corporate Affairs and Guidance Note issued by The Institute of Chartered Accountants of India ("ICAI") are followed in so far as they are not inconsistent with the RBI directions.

3. **Use of estimates:**

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Difference between the actual result and estimates are recognized in the period in which the results are known /materialised.

4. **Significant Accounting Policies:**

i. **Fixed assets:**

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any thereon. Depreciation is charged using the straight line method based on the useful life of fixed assets as estimated by the management as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold. In case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the asset.

Individual assets / group of similar assets costing up to ₹ 5,000 has been depreciated in full in the year of purchase. Leasehold land is depreciated on a straight line basis over the leasehold period.

Estimated useful life of assets are as under:

Class of assets	Useful life
Buildings*	20 years
Computers*	3 years
Office equipment	5 years
Electrical*	5 years
Furniture and fixtures*	5 years
Vehicles*	5 years
Software	3 years

*For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

ii. Assignment of loan portfolio:

De-recognition of loans assigned, in the books of the Company, is based on the concept of surrender of control over the loans resulting in a "true sale" of loans. Future interest spread receivables in case of a par structure deals are recognised over the tenure of agreements as per guidelines issued by the RBI. Expenditure in respect of direct assignment is recognised upfront. Credit enhancement in the form of cash collateral provided by the Company is included under cash and bank balance / loans and advances, as applicable.

iii. Revenue recognition:

The Company complies, in all material respects, with the Accounting Standard -9 issued by the Institute of Chartered Accountants of India, prudential norms relating to income recognition, asset classification and the minimum provisioning for bad and doubtful debts and standard assets, specified in the directions issued by the RBI, as applicable to it, and

a. Interest income is recognised on the time proportionate basis as per agreed terms.
b. Interest income is recognised and remaining due for more than 150 days for all the loans are reversed and are accounted as income when these are actually realised.
c. Dividend income is recognised when the right to receive payment is established.
d. Processing fees received from customers is recognised as income on receipt basis.
e. In respect of the other heads of income, the Company accounts the same on accrual basis.

iv. Preliminary expenses:

Preliminary expenses are written off in the same financial year in which they are incurred.

v. Employee benefits:

The Company's contribution towards Provident Fund and Family Pension Fund, which are defined contribution, are accounted for on an accrual basis and recognised in the Statement of Profit & loss. The Company has provided "Compensated Absences" on the basis of actuarial valuation. Gratuity is post employment benefit and is in the nature of defined benefit plan. The liability recognized in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method.

vi. Provisions, contingent liabilities and contingent assets:

Non-performing loans are written off / provided for, as per management estimates, subject to the minimum provision required as per Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 ("RBI Direction's, 2015) dated March 27, 2015. Provision on standard assets is also made as per the RBI Directions 2015.

The provision is recognised if, as a result of a past event, the company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are neither recognized nor disclosed in the financial statements.

vii. Taxes on income:

Tax expense comprises of current and deferred tax and includes any adjustments related to the past periods in current and /or deferred tax adjustments that may become necessary due to certain

developments or reviews during the relevant period. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.Provision for current tax is computed based on estimated tax liability computed after adjusting for allowance, disallowance and exemptions in accordance with the applicable tax laws.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences of earlier year. Deferred tax is measured using the tax rate and the tax laws enacted or substantively enacted at the Balance Sheet date. The deferred tax assets are recognised only to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

viii. Operating leases:

Lease rentals in respect of operating lease arrangements are charged to the Statement of Profit & Loss in accordance with Accounting Standard 19, issued by the Institute of Chartered Accountants of India.

ix. Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other Investments are classified as non – current investments.

Current investments are stated at lower of cost or market / fair value. Non – current investments are carried at cost. Provision for diminution in value of non – current investments is made, if in the opinion of the management, such diminution is other than temporary. For investment in mutual funds, the net assets value (NAV) declared by the mutual funds at the Balance Sheet date is considered as the fair value.

x. Inventories:

Closing stock is valued at cost or market value, whichever is lower. Cost is computed on FIFO basis.

xi. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xii. Borrowings:

Borrowings are bifurcated under long term and short term liabilities. Commercial papers are recognised at face value at the time of its issue. Any difference between the proceeds and the redemption value is recognised in profit & loss account over the period of the borrowings.

xiii. Debenture issue expenses:

Debenture issue expenses incurred on public issue of Non Convertible Debentures are amortized over tenure of the underlying debenture.

In case of private placement of Non Convertible Debentures the same is charged to the profit and loss account in the year in which they are incurred.

Financial Year 2014-15:

1. Basis of preparation of financial statements:

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all material aspects of the applicable Accounting Standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014(as amended) and the relevant provisions of the Companies Act 2013 along with the guidelines issued by Reserve Bank of India (RBI) as applicable to NBFC's. The financial statements have been prepared on accrual basis under the historical cost convention.

2. Prudential norms:

The Company follows the Reserve Bank of India ("RBI") directions in respect of systemically important non-banking financial (Non-Deposit Accepting or Holding) companies prudential norms (Reserve Bank) directions, 2015 ("RBI Directions, 2015) dated March 27, 2015, as amended from time to time in respect of income recognition, income from investments, accounting of investments, asset classification, provisioning and disclosures in the Balance Sheet. Accounting Standards (AS) under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014 issued by the Ministry of Corporate Affairs and Guidance Note issued by The Institute of Chartered Accountants of India ("ICAI") are followed in so far as they are not inconsistent with the RBI directions.

3. Use of estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Difference between the actual result and estimates are recognized in the period in which the results are known /materialised.

4. Significant Accounting Policies

i. Fixed assets:

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any thereon. Depreciation is charged using the straight line method based on the useful life of fixed assets as estimated by the management as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold. In case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the asset.

Individual assets / group of similar assets costing up to ₹ 5,000 has been depreciated in full in the year of purchase. Leasehold land is depreciated on a straight line basis over the leasehold period.

Estimated useful life of the assets are as under:

Class of assets	Useful life
Buildings*	20 years
Computers*	3 years
Office equipment	5 years
Electrical*	5 years
Furniture and fixtures*	5 years
Vehicles*	5 years
Software	3 years

*For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for this assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

ii. Assignment of loan portfolio:

De-recognition of loans assigned, in the books of the Company, is based on the concept of surrender of control over the loans resulting in a "true sale" of loans. Future interest spread receivables in case of a par

structure deals are recognised over the tenure of agreements as per guidelines issued by the RBI. Expenditure in respect of direct assignment is recognised upfront. Credit enhancement in the form of cash collateral provided by the Company is included under cash and bank balance / loans and advances, as applicable.

iii. Revenue recognition:

The Company complies, in all material respects, with the Accounting Standard -9 issued by the Institute of Chartered Accountants of India, prudential norms relating to income recognition, asset classification and the minimum provisioning for bad and doubtful debts and standard assets, specified in the directions issued by the RBI, as applicable to it, and

a. Interest income is recognised on the time proportionate basis as per agreed terms.
b. Interest income recognised and remaining due for 90 days or more for all the loans, except Gold loans for which interest is reversed after 180 days & mortgage loans for which interest is reversed after 90 days, are reversed and are accounted as income when these are actually realised.
c. Dividend income is recognised when the right to receive payment is established.
d. Processing fees received from customers is recognised as income on receipt basis.
e. In respect of the other heads of income, the Company accounts the same on accrual basis.

iv. Preliminary expenses:

Preliminary expenses are written off in same financial year in which they are incurred.

v. Employee benefits:

The Company's contribution towards Provident Fund and Family Pension Fund, which are defined contribution, are accounted for on an accrual basis and recognised in the Statement of Profit & loss.

The Company has provided "Compensated Absences" on the basis of actuarial valuation.

Gratuity is post employment benefit and is in the nature of defined benefit plan. The liability recognized in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method.

vi. Provisions, contingent liabilities and contingent assets:

Non-performing loans are written off / provided for, as per management estimates, subject to the minimum provision required as per Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 ("RBI Direction's, 2015) dated March 27, 2015. Provision on standard assets is also made as per the RBI Directions 2015.

The provision is recognised if, as a result of a past event, the company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are neither recognized nor disclosed in the financial statements.

vii. Taxes on income:

Tax expense comprises of current and deferred tax and includes any adjustments related to the past periods in current and /or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period. Current income-tax is measured at the amount

expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.Provision for current tax is computed based on estimated tax liability computed after adjusting for allowance, disallowance and exemptions in accordance with the applicable tax laws.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences of earlier year. Deferred tax is measured using the tax rate and the tax laws enacted or substantively enacted at the Balance Sheet date. The deferred tax assets are recognised only to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

viii. Operating leases:

Lease rentals in respect of operating lease arrangements are charged to the Statement of Profit & Loss in accordance with Accounting Standard 19, issued by the Institute of Chartered Accountants of India.

ix. Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other Investments are classified as non – current investments.

Current investments are stated at lower of cost or market / fair value. Non – current investments are carried at cost. Provision for diminution in value of non – current investments is made, if in the opinion of the management, such diminution is other than temporary. For investment in mutual funds, the net assets value (NAV) declared by the mutual funds at the Balance Sheet date is considered as the fair value.

x. Inventories:

Closing stock is valued at cost or market value, whichever is lower. Cost is computed on FIFO basis.

xi. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xii. Borrowings:

Borrowings are bifurcated under long term and short term liabilities. Commercial papers are recognised at face value at the time of its issue. Any difference between the proceeds and the redemption value is recognised in profit & loss account over the period of the borrowings.

xiii. Debenture issue expenses:

Debenture issue expenses incurred on public issue of Non Convertible Debentures are amortized over tenure of the underlying debenture.

In case of private placement of Non Convertible Debentures the same is charged to the profit and loss account in the year in which they are incurred.

Financial Year 2013-14:

1. Basis of preparation of financial statements:

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with all material aspects of the applicable Accounting Standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014(as amended) and the relevant provisions of the Companies Act 2013 along with the guidelines issued by Reserve bank of India (RBI) as applicable to NBFC's. The financial statements have been prepared on accrual basis under the historical cost convention.

2. Prudential norms:

The Company follows the Reserve Bank of India ("RBI") directions in respect of systemically important non-banking financial (Non-Deposit Accepting or Holding) companies prudential norms (Reserve Bank) directions, 2015 ("RBI Directions, 2015) dated March 27, 2015, as amended from time to time in respect of income recognition, income from investments, accounting of investments, asset classification, provisioning and disclosures in the Balance Sheet. Accounting Standards (AS) under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014 issued by the Ministry of Corporate Affairs and Guidance Note issued by The Institute of Chartered Accountants of India ("ICAI") are followed in so far as they are not inconsistent with the RBI directions.

3. Use of estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Difference between the actual result and estimates are recognized in the period in which the results are known /materialised.

4. Significant Accounting Policies

i. Fixed assets:

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any, thereon. Depreciation is charged using the straight line method based on the useful life of fixed assets as estimated by the management as specified below, or the rates specified in accordance with the provisions of schedule XIV of the Companies Act, 1956, whichever is higher. In case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the asset.

Depreciation is charged from the "month" in which new assets are "put to use". No depreciation is charged for the month in which assets are sold. Individual assets / group of similar assets costing upto ₹ 5,000/- has been depreciated in full, in the year of purchase.

Estimated useful life of the assets is as under:

Class of assets	Useful life in years
Buildings	20
Computers	3
Electrical & Office equipment	5
Furniture and fixtures	5
Vehicles	5
Software	3

ii. Assignment of loan portfolio:

De-recognition of loans assigned, in the books of the Company, is based on the concept of surrender of control over the loans resulting in a "true sale" of loans. Future interest spread receivables in case of a par structure deals are recognised over the tenure of agreements as per guidelines issued by the RBI. Expenditure in respect of direct assignment is recognised upfront. Credit enhancement in the form of cash collateral provided by the Company is included under Cash and bank balance / Loans and advances, as applicable.

iii. Revenue recognition:

The Company complies, in all material respects, with the Accounting Standard -9 issued by the Institute of Chartered Accountants of India, Prudential Norms relating to income recognition, asset classification and the minimum provisioning for bad and doubtful debts and standard assets, specified in the directions issued by the RBI, as applicable to it, and

a. Interest Income is recognised on the time proportionate basis as per agreed terms.
b. Income recognised and remaining unrealised for ninety days or more for all the loans, except Gold loans for which interest is reversed after 180 days, are reversed and are accounted as income when these are actually realised.
c. Dividend income is recognised when the right to receive payment is established.
d. In respect of the other heads of income, the Company accounts the same on accrual basis.
e. Processing fees received from customers is recognised as income on receipt basis.

iv. Preliminary expenses:

Preliminary Expenses is written off in same financial year in which they are incurred.

v. Employee benefits:

The Company's contribution towards Provident Fund and Family Pension Fund, which are defined contribution, are accounted for on an accrual basis and recognised in the Statement of Profit & loss.

The Company has provided "Compensated Absences" on the basis of actuarial valuation.

Gratuity is post employment benefit and is in the nature of Defined Benefit Plan. The Liability recognized in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method.

vi. Provisions, Contingent liabilities and Contingent assets:

Non-performing loans are written off / provided for, as per management estimates, subject to the minimum provision required as per Non-Banking Financial (Non-Deposit Accepting or Holdings) Companies Prudential Norms (Reserve Bank) Directions, 2007. Provision on standard assets is made as per notification no. DNBS.PD.CC.No.207/03.02.002/2010-2011 dated January 17, 2011 issued by RBI.

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets are neither recognized nor disclosed in the financial statements.

vii. Taxes on income:

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Provision for current tax is computed based on estimated tax liability computed after adjusting for allowance, disallowance and exemptions in accordance with the applicable tax laws.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier year Deferred tax is measured using the tax rate and the tax laws enacted or substantively enacted at the Balance Sheet date. At each reporting date, the Company re-assesses unrecognized deferred tax assets. The deferred tax

asset is recognised or unrecognised, to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

viii. Operating Leases:

Lease rentals in respect of operating lease arrangements are charged to the Statement of Profit & Loss in accordance with Accounting Standard 19, issued by the Institute of Chartered Accountants of India.

ix. Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other Investments are classified as non – current investments. Current investments are stated at lower of cost or market / fair value. Non – current investments are carried at cost. Provision for diminution in value of non – current investments is made, if in the opinion of the management, such diminution is other than temporary. For investment in mutual funds, the net assets value (NAV) declared by the mutual funds at the Balance Sheet date is considered as the fair value.

x. Inventories:

Closing stock is valued at cost or market value, whichever is lower. Cost is computed on FIFO basis.

xi. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xii. Borrowings:

Borrowings are bifurcated under long term and short term liabilities. Commercial papers are recognised at Face value at the time of its issue. Any difference between the proceeds and the redemption value is recognised in profit & loss account over the period of the borrowings.

xiii. Debenture Issue Expenses:

Debenture issue expenses incurred on public issue of Non Convertible Debentures are amortized on weighted average tenure of the underlying debenture.
In case of private placement of Non Convertible Debentures the same is charged to the profit and loss account in the year in which they are incurred.

5. Share Capital:

i. Authorised, Issued, Subscribed and Paid-up Share Capital:

(₹ in Millions)

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Authorised Share Capital					
300,000,000 Equity Shares of ₹10 each	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
1,999,600 Equity Shares of ₹ 100 each	199.96	199.96	199.96	199.96	199.96
150 Preference Shares of ₹ 100 each	-	-	-	-	0.02
250 Preference Shares of ₹ 100 each	-	-	-	-	0.02

Particulars	As at March 31				
	2018	2017	2016	2015	2014
400 Preference Shares of ₹ 100 each	0.04	0.04	0.04	0.04	-
575,000,000 Preference Shares of ₹ 10 each	5,750.00	5,750.00	5,750.00	5,750.00	-
Total	**8,950.00**	**8,950.00**	**8,950.00**	**8,950.00**	**3,200.00**
Issued, Subscribed and Paid-up Share Capital					
Equity Shares of ₹ 10 each fully paid with voting rights	2,807.42	2,371.66	2,371.54	2,371.54	2,371.54
Number of Shares	*280,742,031*	*237,165,102*	*237,154,030*	*237,154,030*	*237,154,030*
8% Non Convertible Redeemable Preference Shares of ₹ 10/- each fully paid	-	750.00	750.00	750.00	-
Number of shares	-	*75,000,000*	*75,000,000*	*75,000,000*	-
0.01% Compulsorily Convertible Preference Shares of ₹ 10/- each fully paid	-	433.34	-	-	-
Number of shares	-	*43,334,409*	-	-	-
8% Non Convertible Preference shares of ₹ 10 each	-	-	1,000.00	1,000.00	-
Number of shares	-	-	*100,000,000*	*100,000,000*	-
9.25% Non Convertible Preference shares of ₹ 10 each	-	-	1,500.00	1,500.00	-
Number of shares	-	-	*150,000,000*	*150,000,000*	-
Total	**2,807.42**	**3,555.00**	**5,621.54**	**5,621.54**	**2,371.54**

ii. Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Equity Shares:					
At the beginning of the year	237,165,102	237,154,030	237,154,030	237,154,030	237,154,030
Add: Issued during the year	-	100	-	-	-
Add: Stock Options exercised under Employee stock option plan	242,520	10,972	-	-	-
Add: Preference shares converted during the year	43,334,409	-	-	-	-
Outstanding at the end of the year	**280,742,031**	**237,165,102**	**237,154,030**	**237,154,030**	**237,154,030**
8% Non Convertible Redeemable Preference Shares:					
At the beginning of the year	75,000,000	75,000,000	75,000,000	-	-
Add: Issued during the year	-	-	-	75,000,000	-
Less: Redeemed during the year	75,000,000	-	-	-	-
Outstanding at the end of the year	**-**	**75,000,000**	**75,000,000**	**75,000,000**	**-**
8% Compulsorily Redeemable Non Convertible Cumulative Preference					

REFORMATTED SUMMARY STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED

Notes forming part of Reformatted Summary Standalone Financial Statements as at and for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Shares:					
At the beginning of the year	-	100,000,000	100,000,000	-	-
Add: Issued during the year	-	-	-	100,000,000	-
Less: Redeemed during the year	-	100,000,000	-	-	-
Outstanding at the end of the year	**-**	**-**	**100,000,000**	**100,000,000**	**-**
9.25% Compulsorily Redeemable Non Convertible Cumulative Preference Shares:					
At the beginning of the year	-	150,000,000	150,000,000	-	-
Add: Issued during the year	-	-	-	150,000,000	-
Less: Redeemed during the year	-	150,000,000	-	-	-
Outstanding at the end of the year	**-**	**-**	**150,000,000**	**150,000,000**	**-**
0.01% Compulsorily Convertible Preference Shares					
At the beginning of the year	43,334,409	-	**-**	**-**	**-**
Add: Issued during the year	-	43,334,409	-	-	-
Less: Converted during the year	43,334,409	-	-	-	-
Outstanding at the end of the year	**-**	**43,334,409**	**-**	**-**	**-**

Reconciliation of share capital outstanding at the beginning and at the end of the reporting period:

(₹ in Millions)

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Equity Shares:					
At the beginning of the year	2,371.66	2,371.54	2,371.54	2,371.54	2,371.54
Add: Issued during the year	-	0.00	-	-	-
Add: Stock Options exercised under Employee stock option plan	2.42	0.12	-	-	-
Add: Preference shares converted during the year	433.34	-	-	-	-
Outstanding at the end of the year	**2,807.42**	**2,371.66**	**2,371.54**	**2,371.54**	**2,371.54**
8% Non Convertible Redeemable Preference Shares:					
At the beginning of the year	750.00	750.00	750.00	-	-
Add: Issued during the year	-	-	-	750.00	-
Less: Redeemed during the year	750.00	-	-	-	-
Outstanding at the end of the year	**-**	**750.00**	**750.00**	**750.00**	**-**
8% Compulsorily Redeemable Non Convertible Cumulative Preference Shares:					
At the beginning of the year	-	1,000.00	1,000.00	-	-
Add: Issued during the year	-	-	-	1,000.00	-
Less: Redeemed during the year	-	1,000.00	-	-	-
Outstanding at the end of the	**-**	**-**	**1,000.00**	**1,000.00**	**-**

Particulars	As at March 31				
	2018	2017	2016	2015	2014
year					
9.25% Compulsorily Redeemable Non Convertible Cumulative Preference Shares:					
At the beginning of the year	-	1,500.00	1,500.00	-	-
Add: Issued during the year	-	-	-	1,500.00	-
Less: Redeemed during the year	-	1,500.00	-	-	-
Outstanding at the end of the year	**-**	**-**	**1,500.00**	**1,500.00**	**-**
0.01% Compulsorily Convertible Preference Shares					
At the beginning of the year	433.34	-	-	-	-
Add: Issued during the year	-	433.34	-	-	-
Less: Converted during the year	433.34	-	-	-	-
Outstanding at the end of the year	**-**	**433.34**	**-**	**-**	**-**

iii. Rights attached to equity shares:

Financial Year 2017-18

The Company has issued only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. During the year ended March 31, 2018, equity shareholders were paid an interim dividend of ₹ 2.75/- per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

Financial year 2016-17, 2015-16, 2014-15 and 2013-14

The Company has issued only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. Equity shareholders were paid an interim dividend per share as below:

Particulars	As at March 31			
	2017	2016	2015	2014
Dividend per share(in ₹)	2.75	2.75	2.50	2.50

iv. Rights attached to Preference shares:

Financial Year 2017-18

a. **8% Non Convertible Redeemable Preference Shares:**
These shares have been redeemed during the year. They had seniority over equity shareholders with respect to payment of capital and dividend. It had dividend rate of 8% p.a. and no cumulative right with respect to payment of dividend.

b. **0.01% Compulsorily Convertible Preference Shares:**
The rights of the holders of these Preference Shares were governed by the provisions of the Companies Act 2013, read with applicable rules and any amendment / modification in law from time to time and such other applicable regulations, the Articles of Association of the Company and by the Investment agreement dated July 20, 2016 entered amongst the Company, IIFL Holdings Limited and CDC Group PLC. During the year ended

March 31, 2018, interim dividend of ₹ 2.75/- per share and 0.01% per annum was paid, on proportionate basis, on the aforesaid preference shares as per the terms of agreement. These were converted into fully paid equity shares during the year.

Financial Year 2016-17

a. **75,000,000 8% Non Convertible Redeemable Preference Shares of ₹ 10/- each aggregating to ₹ 750.00 mn.:**
These shares shall have seniority over equity shareholders with respect to payment of capital and dividend. It shall carry dividend rate of 8% p.a. and will not have any cumulative right with respect to payment of dividend.

b. **43,334,409 0.01% Compulsorily Convertible Preference Shares aggregating to ₹ 433.34 mn.:**
The rights of the holders of these Preference Shares shall be governed by the provisions of the Companies Act 2013, read with applicable rules and any amendment / modification in law from time to time and such other applicable regulations, the Articles of Association of the Company and by the Investment agreement dated July 20, 2016 entered amongst the Company, IIFL Holdings Limited and CDC Group PLC. During the year ended March 31, 2017, interim dividend of ₹ 2.75/- per share on a proportionate basis was paid on the aforesaid preference shares as per the terms of agreement.

Financial Year 2015-16

a. **75,000,000 8% Compulsorily Redeemable Non-convertible Non-cumulative Preference Shares of ₹ 10/- each aggregating to ₹ 750.00 mn.:**
These shares shall have seniority over equity shareholders with respect to payment of capital and dividend. It shall carry dividend rate of 8% p.a. and will not have any cumulative right with respect to payment of dividend.

b. **100,000,000 8% compulsorily redeemable Non convertible Cumulative preference shares of ₹ 10/- each aggregating to ₹ 1,000 mn:**
These shares shall have seniority over equity shareholders with respect to payment of capital and dividend. It shall carry dividend rate of 8% p.a. and their right to dividend is on cumulative basis.

c. **150,000,000 - 9.25% compulsorily redeemable Non convertible Cumulative Preference Shares aggregating to ₹ 1,500 mn:**
These shares shall have seniority over equity shareholders with respect to payment of capital and dividend. Their right to dividend is on cumulative basis. During the year ended March 31, 2016 the company has declared and paid dividend on these shares @ 9.25% in accordance with the terms of the Issue.
Other rights of the holders of Preference Shares shall be governed by the provisions of the Companies Act 2013, read with applicable rules and any amendment / modification in law from time to time and such other applicable regulations.

Financial Year 2014-15

a. **8% compulsorily redeemable non convertible non cumulative preference shares of ₹ 10/- each aggregating to ₹ 750.00 mn:**
These shares shall have seniority over equity shareholders with respect to payment of capital and dividend. It shall carry dividend rate of 8% p.a. and will not have any cumulative right with respect to payment of dividend.

b. **8% compulsorily redeemable non convertible cumulative preference shares of ₹ 10/- each aggregating to ₹ 1,000.00 mn**: These shares shall have seniority over equity shareholders with respect to payment of capital and dividend. Their right to dividend is on cumulative basis. Other rights of the holders of preference shares shall be governed by the provisions of Companies Act, 2013 read with applicable rules and any amendment/ modification in law from time to time and such other applicable regulations.

c. **9.25% compulsorily redeemable non-convertible cumulative preference shares aggregating to ₹ 1,500 mn:**

These shares shall have seniority over equity shareholders with respect to payment of capital and dividend. Their right to dividend is on cumulative basis. Other rights of the holders of preference shares shall be governed by the provisions of Companies Act, 2013 read with applicable rules and any amendment/ modification in law from time to time and such other applicable regulations.

v. Shares held by the holding company and its subsidiaries:

a. Equity shares held by IIFL Holdings Limited and its nominees:

As at March 31									
2018		2017		2016		2015		2014	
No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings
237,345,270	84.54%	237,154,030	99.99%	237,154,030	100.00%	234,467,549	98.87%	234,467,549	98.87%

b. Preference shares held by IIFL Holdings Limited:

As at March 31									
2018		2017		2016		2015		2014	
No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings
8% Non Convertible Redeemable Preference Shares of ₹ 10 each fully paid up									
-	-	75,000,000	100.00%	75,000,000	100.00%	75,000,000	100.00%	-	-
8% Compulsorily Redeemable Non Convertible Cumulative Preference Shares of ₹ 10 each fully paid up									
-	-	-	-	50,000,000	50.00%	50,000,000	50.00%	-	-

c. Preference shares held by IIFL Wealth Management Limited:

As at March 31									
2018		2017		2016		2015		2014	
No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings	No. of Shares	% Holdings
8% Compulsorily Redeemable Non Convertible Cumulative Preference Shares of ₹ 10 each fully paid up									
-	-	-	-	-	-	49,500,000	49.50%	-	-
9.25% Compulsorily Redeemable Non Convertible Cumulative Preference shares of ₹ 10 each fully paid									
-	-	-	-	-	-	150,000,000	100.00%	-	-

vi. Details of shareholders holding more than 5% shares in the Company:

Name of the shareholder	As at March 31				
	2018	2017	2016	2015	2014
Equity shares of ₹ 10 each fully paid up					
IIFL Holdings Limited and its nominees					
Number of shares	237,345,270	237,154,030	237,154,030	234,467,549	234,467,549
% of holding	84.54%	99.99%	100.00%	98.87%	98.87%
CDC Group PLC					
Number of shares	43,334,509	-	-	-	-
% holdings	15.44%	-	-	-	-

8% Non-Convertible Redeemable Preference shares of ₹ 10 each fully paid					
IIFL Holdings Limited					
Number of shares	-	75,000,000	75,000,000	75,000,000	-
% holdings	-	100%	100%	100%	-
8% Compulsorily Redeemable Non-Convertible Cumulative Preference shares of ₹ 10 each					
IIFL Holdings Limited					
Number of shares	-	-	50,000,000	50,000,000	-
% holdings	-	-	50.00%	50.00%	-
IIFL Wealth Management Limited					
Number of shares	-	-	-	49,500,000	-
% holdings	-	-	-	49.50%	-
9.25% Compulsorily Redeemable Non Convertible Cumulative Preference shares of ₹ 10 each					
IIFL Wealth Management Limited					
Number of shares	-	-	-	150,000,000	-
% holdings	-	-	-	100%	-
0.01% Compulsorily Convertible Preference Shares of ₹ 10 each					
CDC Group PLC					
Number of shares	-	43,334,409	-	-	-
% holdings	-	100%	-	-	-

vii. During the period of five years immediately preceding March 31, 2018, March 31, 2017, March 31,2016, March 31,2015 and March 31,2014 the Company has not issued any shares without payment being received in cash or by way of bonus shares or shares bought back.

viii. Shares reserved for issue under options and contracts/commitments for sale of shares/disinvestments, including the terms and amount:
Refer note no. 36 for details of shares reserved for issue under Employee Stock Option Plan of the Company during the financial year 2017-18,2016-17,2015-16,2014-15 and 2013-14.

ix. 43,334,409 Compulsorily Convertible Preference Shares (CCPS) issued in earlier year have been converted into fully paid equity shares during the year 2017-2018 (Refer note 5 (iv) (b) for detailed terms).

Financial Year 2016-17

Terms of Securities convertible into equity shares:

43,334,409 Compulsorily Convertible Preference Shares (CCPS) may be converted any time at the option of the CCPS holder,however, each CCPS shall automatically be converted into Equity Shares upon the earlier of (i) September 25, 2036 or (ii) in connection with an IPO of the Company or Investor IPO (or any subsequent IPO) at the latest date as may be permitted under applicable Laws.

6. Reserves and surplus:

(₹ in Millions)

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Capital Redemption Reserve					
Opening Balance	1,500.00	-	-	-	-
Additions during the year	750.00	1,500.00	-	-	-
Closing Balance (A)	**2,250.00**	**1,500.00**	**-**	**-**	**-**
Securities Premium Reserve					
Opening balance	18,265.03	8,657.49	8,657.49	8,657.49	8,657.49
Additions during the year	19.07	9,617.60	-	-	-
Utilised during the year	-	10.06	-	-	-
Closing Balance (B)	**18,284.10**	**18,265.03**	**8,657.49**	**8,657.49**	**8,657.49**
Debenture Redemption Reserve					
Opening balance	3,507.40	3,152.00	2,203.00	1,890.00	850.00
Additions during the year	338.30	355.40	949.00	313.00	1,040.00
Closing Balance (C)	**3,845.70**	**3,507.40**	**3,152.00**	**2,203.00**	**1,890.00**
General Reserve					
Opening balance	463.00	463.00	463.00	463.00	263.00
Addition due to transfer during the year from Surplus in the Statement of Profit and Loss	-	-	-	-	200.00
Closing Balance (D)	**463.00**	**463.00**	**463.00**	**463.00**	**463.00**
Special Reserve (Pursuant to Section 45-IC of Reserve Bank of India Act, 1934)					
Opening balance	3,158.50	2,472.50	1,922.50	1,415.00	1,050.00
Additions due to transfer during the year from surplus in the Statement of Profit and Loss	710.00	686.00	550.00	507.50	365.00
Closing Balance (E)	**3,868.50**	**3,158.50**	**2,472.50**	**1,922.50**	**1,415.00**
Surplus in Statement of					

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Profit and Loss					
Opening balance	2,666.19	2,727.60	2,607.09	1,687.27	2,191.30
Addition: Profit for the year	3,544.97	3,427.28	2,717.32	2,477.25	1,794.62
Less: Appropriations					
Interim dividend	(652.79)	(652.17)	(652.17)	(592.89)	(592.89)
Dividend distribution tax on interim dividend	(132.89)	(130.21)	(132.78)	(108.07)	(100.76)
Preference dividend	(159.16)	(140.39)	(278.75)	(35.97)	-
Dividend distribution tax on preference dividend	(32.40)	(24.52)	(34.11)	-	-
Transfer to Special Reserve as per section 45-IC of the Reserve Bank of India Act, 1934	(710.00)	(686.00)	(550.00)	(507.50)	(365.00)
Transfer to Capital Redemption Reserve	(750.00)	(1,500.00)	-	-	-
Transfer to General Reserve	-	-	-	-	(200)
Transfer to Debenture Redemption Reserve	(338.30)	(355.40)	(949.00)	(313.00)	(1,040.00)
Closing Balance (F)	**3,435.62**	**2,666.19**	**2,727.60**	**2,607.09**	**1,687.27**
Total (A+B+C+D+E+F)	**32,146.92**	**29,560.12**	**17,472.58**	**15,853.08**	**14,112.76**

Financial Year 2017-18

6.1 Capital Redemption Reserve has been created on redemption of the Preference share capital as per section 55 of the Companies Act, 2013.

6.2 Pursuant to Section 71 of the Companies Act, 2013 read with Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014 the Company being an NBFC is required to create Debenture Redemption Reserve of a value equivalent to 25% of the debentures offered through public issue. Accordingly, ₹ 338.30 mn has been transferred to Debenture Redemption Reserve account for the financial year ended March 31, 2018.

6.3 Pursuant to section 45-IC of the Reserve Bank of India Act, 1934, ₹ 710.00 mn being 20% of the profit after taxes for the year has been transferred from the Statement of Profit and Loss to Special Reserve.

Financial Year 2016-17

Pursuant to Section 71 of the Companies Act, 2013 read with Rule 18 of the Companies (Share Capital and Debentures Rules, 2014) the Company being an NBFC was required to create debenture redemption reserve of a value equivalent to 25% of the debentures offered through a public issue. Accordingly, ₹ 355.40 mn has been transferred to debenture redemption reserve account for the financial year ended March 31, 2017.

Financial Year 2015-16

Pursuant to Section 71 of the Companies Act, 2013 read with Rule 18 of the Companies (Share Capital and Debentures Rules, 2014) the Company being an NBFC was required to create debenture redemption reserve of a value equivalent to 25% of the debentures offered through a public issue. Accordingly, ₹ 949.00 mn has been transferred to debenture redemption reserve account for the financial year ended March 31, 2016.

Financial Year 2014-15

Pursuant to Section 71 of the Companies Act, 2013 read with Rule 18 of the Companies (Share Capital and Debentures Rules, 2014) the Company being an NBFC was required to create debenture redemption reserve of a value equivalent to 25% of the debentures offered through a public issue. Accordingly, ₹ 313.00 mn has been transferred to debenture redemption reserve account for the financial year ended March 31, 2015.

7. Long Term Borrowings:

(₹ in Millions)

Particulars – Non-Current	As at March 31				
	2018	2017	2016	2015	2014
Non Convertible Debentures					
Secured	22,230.00	28,409.75	16,581.04	26,618.12	16,487.84
Unsecured – Subordinate debt	4,430.00	8,434.17	9,696.10	9,370.91	6,820.91
Sub-Total (A)	**26,660.00**	**36,843.92**	**26,277.14**	**35,989.03**	**23,308.75**
Term Loan from Banks					
Secured	19,779.00	21,328.31	27,374.10	43,807.21	28,941.27
Sub-Total (B)	**19,779.00**	**21,328.31**	**27,374.10**	**43,807.21**	**28,941.27**
Total (A+B)	**46,439.00**	**58,172.23**	**53,651.24**	**79,796.24**	**52,250.02**

(₹ in Millions)

Particulars – Current Maturities	As at March 31				
	2018	2017	2016	2015	2014
Non Convertible Debentures					
Secured	4,629.54	3,579.00	10,615.12	500.00	4,086.20
Unsecured – Subordinate debt	5,004.17	11.93	24.82	-	-
Sub-Total (A)	**9,633.71**	**3,590.93**	**10,639.94**	**500.00**	**4,086.20**
Term Loan from Banks					
Secured	9,789.58	8,012.91	19,853.04	13,108.83	12,521.99
Sub-Total (B)	**9,789.58**	**8,012.91**	**19,853.04**	**13,108.83**	**12,521.99**
Total (A+B)	**19,423.29**	**11,603.84**	**30,492.98**	**13,608.83**	**16,608.19**
Amount disclosed under the head "Other Current Liabilities" (Refer note 12)	(19,423.29)	(11,603.84)	(30,492.98)	(13,608.83)	(16,608.19)

Financial Year 2017-18

(a) These non convertible debentures are secured by way of first pari-passu charge on immovable property, current assets, book debts, loans and advances including receivables other than those specifically charged.

(b) These term loans are secured by way of first pari-passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Out of the total loans from banks, loans amounting to ₹ 7,135.51 mn are guaranteed by Holding Company - IIFL Holdings Limited.

Financial Year 2016-17

(a) The Company has also raised ₹ 16,655.00 mn and ₹ Nil by issue of secured and unsecured non convertible debentures respectively. During the year, the Company has raised secured term loans aggregating ₹ 15,000.00 mn from various banks.

(b) The above term loans are secured by way of first pari-passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Out of the total loans from banks, loans amounting to ₹ 17,042.79 mn are also guaranteed by Holding Company IIFL Holdings Limited.

(c) Vistra ITCL (India) Limited formerly known as IL&FS Trust Company Limited ("ITCL") acts as a security trustee for all bank borrowings. The security trustee is responsible for ensuring that the security cover as required for the individual term loans / cash credit / working capital demand loans facilities are being maintained during the tenure of each of the loans.

(d) Debenture redemption reserve on the NCD's has been created as disclosed in note 6.

Financial Year 2015-16

(a) The Company has also raised ₹ 2,432.00 mn and ₹ 350.00 mn by issue of secured and unsecured non convertible debentures respectively. During the year, the Company has raised secured term loans aggregating ₹ 10,300.00 mn from various banks.

(b) The above term loans are secured by way of first pari-passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Out of the total loans from banks, loans amounting to ₹ 40,227.52 mn are also guaranteed by Holding Company IIFL Holdings Limited (Formerly known as India Infoline Limited).

(c) IL&FS Trust Company Limited ("ITCL") acts as a security trustee for all bank borrowings. The security trustee is responsible for ensuring that the security cover as required for the individual term loans / cash credit / working capital demand loans facilities are being maintained during the tenure of each of the loans.

(d) Debenture redemption reserve on the NCD's has been created as disclosed in note 6.

Financial Year 2014-15

(a) The Company has also raised ₹ 11,353.00 mn and ₹ 2,550.00 mn by issue of secured and unsecured non convertible debentures respectively. During the year, the Company has raised secured term loans aggregating ₹ 29,650.00 mn from various banks.

(b) The above term loans are secured by way of first pari-passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Out of the total loans from banks, loans amounting to ₹ 52,916.29 mn are also guaranteed by Holding Company IIFL Holdings Limited (Formerly known as India Infoline Limited).

(c) IL&FS Trust Company Limited ("ITCL") acts as a security trustee for all bank borrowings. The security trustee is responsible for ensuring that the security cover as required for the individual term loans / cash credit / working capital demand loans facilities are being maintained during the tenure of each of the loans.

(d) Debenture redemption reserve on the NCD's has been created as disclosed in note 6.

Financial Year 2013-14

(a) During the year, the Company has raised secured term loans aggregating ₹ 16,800.00 mn from various Banks.

(b) The Company has also raised ₹ 12,662.00 mn by issue of secured and unsecured non convertible debentures.

7.1 Non Convertible Debentures – Secured:

(₹ in Millions)

Residual Maturity	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Rate of Interest	Amount	Rate of Interest	Amount	Rate of Interest	Amount	Rate of Interest	Amount	Rate of Interest	Amount
Fixed										
Above 5 Years	-	-	-	-	10.20%	2,875.00	10.60%	5,750.00	-	-
3-5 Years	8.00% - 10.20%	5,375.00	8.85% - 10.20%	5,750.00	10.20%	2,875.00	10.00% - 12.00%	4,329.53	10.00% - 12.00%	3,739.29
1-3 Years	7.75% - 10.20%	7,925.00	8.85% - 12.00%	13,595.75	10.00%- 12.00%	4,813.04	11.15%- 12.00%	10,011.27	11.70%- 12.00%	10,353.95
Floating*										
3-5 Years	-	-	8.60%	5,000.00	-	-	-	-	-	-
1-3 Years	8.07% - 8.60%	7,000.00	-	-	-	-	-	-	-	-

Residual Maturity	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Rate of Interest	Amount	Rate of Interest	Amount	Rate of Interest	Amount	Rate of Interest	Amount	Rate of Interest	Amount
Zero Coupon										
Above 5 Years	-	-		-	9.00%	39.00	9.00%	72.00	-	-
3-5 Years	8.75%	100.00	8.85% - 9.30%	1,613.00	-	-	10.50% - 10.70%	162.00	-	-
1-3 Years	8.85% - 9.30%	1,830.00	8.85% - 10.70%	2,451.00	9.00% - 11.90%	5,979.00	9.00% - 11.90%	6,293.32	10.76% - 11.90%	2,394.60
Total		**22,230.00**		**28,409.75**		**16,581.04**		**26,618.12**		**16,487.84**

*The floating rate non convertible debentures are linked with Government securities / Treasury Bills interest rates plus applicable spread.

7.2 Non Convertible Debentures – Unsecured:

(₹ in Millions)

Residual Maturity	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Rate of Interest	Amount	Rate of Interest	Amount	Rate of Interest	Amount	Rate of Interest	Amount	Rate of Interest	Amount
Fixed										
Above 5 Years	8.7% - 12.10%	1,100.00	12.10% - 12.20%	530.00	10.5% - 12.20%	880.00	11.25% - 12.20%	2,530.00	12.10% - 12.20%	530.00
3-5 Years	10.5% - 12.20%	780.00	10.50% - 11.25%	2,900.00	10.75% - 11.25%	2,550.00	12.00% - 12.75%	5,298.91	12%- 12.75%	5,301.31
1-3 Years	10.75% - 11.25%	2,550.00	12.25% - 12.75%	4,553.08	12.00% - 12.75%	5,752.41	-	-	12.75%	24.82
Zero Coupon										
Above 5 Years	-	-	-	-	-	-	10.75%	550.00	-	-
3-5 Years	-	-	-	-	-	-	11.50% - 12.75%	955.23	11.50%- 12.75%	964.78
1-3 Years	-	-	12.75%	451.09	11.50% - 12.25%	513.69	12.25%	36.77	-	-
Total		**4,430.00**		**8,434.17**		**9,696.10**		**9,370.91**		**6,820.91**

7.3 Term loans from Banks - Secured:

(₹ in Millions)

Residual Maturity	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Rate of Interest	Amount	Rate of Interest	Amount	Rate of Interest	Amount	Rate of Interest	Amount	Rate of Interest	Amount
Above 5 Years	8.05%	500.00	-	-	-	-	-	-	-	-
3-5 Years	7.90% - 8.20%	6,833.33	8.30% - 8.80%	6,116.66	9.75% - 10.45%	4,507.50	10.75% - 12.00%	7,747.08	11.75%- 12.50%	7,321.01
1-3 Years	7.68% - 8.60%	12,445.67	8.15% - 9.60%	15,211.65	9.75% - 11.20%	22,866.60	10.50% - 12.00%	36,060.13	11.75%- 12.25%	21,620.26
Total		**19,779.00**		**21,328.31**		**27,374.10**		**43,807.21**		**28,941.27**

The rate of interest for the above term loans is linked to Marginal Cost of funds based lending rate/Treasury Bills plus applicable spread. The above categorisation of loans has been based on the interest rates prevalent as on the respective reporting dates.

8. Other long-term liabilities:

(₹ in Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Interest accrued but not due on borrowings	255.09	1,019.10	941.95	890.88	491.80

9. Provisions:

(₹ in Millions)

Particulars	Non Current					Current				
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Provision for Employee Benefits										
Provision for compensated absences	30.02	17.73	18.41	18.00	18.87	10.20	6.81	7.70	8.05	5.70
Provision for bonus	-	-	-	-	-	92.21	50.96	49.55	20.94	16.91
Sub-Total (A)	**30.02**	**17.73**	**18.41**	**18.00**	**18.87**	**102.41**	**57.77**	**57.25**	**28.99**	**22.61**
Other Provisions										
Contingent provision against standard assets (Refer note 9.1)	626.97	463.57	463.58	453.58	253.82	-	-	-	-	-
Other provisions (Refer note 9.1)	159.29	169.40	26.11	180.36	136.74	-	-	-	-	-
Provision for Tax (Refer note 9.2)	-	-	-	-	-	459.49	673.46	294.13	462.43	93.63
Proposed dividend (Refer note 9.3)	-	-	-	-	-	-	60.02	146.85	35.98	-
Dividend distribution tax on proposed dividend	-	-	-	-	-	-	12.22	28.50	7.32	-
Sub-Total (B)	**786.26**	**632.97**	**489.69**	**633.94**	**390.56**	**459.49**	**745.70**	**469.48**	**505.73**	**93.63**
Total (A+B)	**816.28**	**650.70**	**508.10**	**651.94**	**409.43**	**561.90**	**803.47**	**526.73**	**534.72**	**116.24**

9.1 Details of movement in other provisions:

(₹ in Millions)

Particulars	Contingent provision against standard assets					Other provisions				
	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2017-2018	2016 - 2017	2015-2016	2014-2015	2013-2014
Opening	463.57	463.57	453.58	253.82	210.32	169.40	26.11	180.36	136.74	97.08
Add: Addition	163.40	-	10.00	199.76	43.50	-	143.29	-	43.62	39.66
Less: Reversals	-	-	-	-	-	10.11	-	154.25	-	-
Closing	**626.97**	**463.57**	**463.58**	**453.58**	**253.82**	**159.29**	**169.40**	**26.11**	**180.36**	**136.74**

9.2 Provision for Tax is Net of Advance Tax and TDS as below:

(₹ in Millions)

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Advance Tax and TDS	2,645.34	1,297.02	2,867.02	1,643.45	3,396.45

9.3 Details of Proposed Preference Dividend

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
On 8% Non Convertible Redeemable Preference Shares of ₹ 10 each	-	₹ 0.8 Per Share	₹ 0.8 Per Share	₹ 0.8 Per Share	-
Number of shares	-	75,000,000	75,000,000	75,000,000	-
Sub-total (A) (₹ in Millions)	**-**	**60.00**	**60.00**	**30.25**	**-**
On 0.01% Compulsorily Convertible Preference Shares of ₹ 10 each	-	₹ 0.0005 Per Share	-	-	-
Number of shares	-	43,334,409	-	-	-
Sub-total (B) (₹ in Millions)	**-**	**0.02**	**-**	**-**	**-**
On 8% Compulsory Redeemable Non Convertible Cumulative Preference Share of ₹10 each	-	-	₹ 0.8 Per Share	₹ 0.8 Per Share	-
Number of shares	-	-	100,000,000	100,000,000	-
Sub-total (C) (₹ in Millions)	**-**	**-**	**80.00**	**3.07**	**-**
On 9.25% Compulsorily Redeemable Non Convertible Cumulative Preference Share of ₹10 each	-	-	-	₹ 0.9 Per Share	-
Number of shares	-	-	-	150,000,000	-
Sub-total (D) (₹ in Millions)	**-**	**-**	**-**	**2.66**	**-**
Total (A+B+C+D) (₹ in Millions)	**-**	**60.02**	**140.00**	**35.98**	**-**

10. Short term borrowings:

(₹ in Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Secured					
Cash credit/Bank Overdraft	7,545.41	6,332.02	4,120.47	3,468.72	3,277.51
Term loan from Banks	-	1,000.00	-	1,700.00	500.00
Loan from financial Institutions	-	-	1,450.00	1,000.00	-
Collateralised Borrowing and Lending Obligation (CBLO)	5,550.00	8,400.00	-	-	-
Less : Unexpired discount on CBLO	(2.14)	(2.51)	-	-	-
Sub-Total (A)	**13,093.27**	**15,729.51**	**5,570.47**	**6,168.72**	**3,777.51**
Unsecured					
Commercial papers	67,000.00	29,550.00	20,150.00	25,400.00	23,310.00
Less : Unexpired discount on commercial papers	(882.59)	(193.49)	(226.33)	(298.15)	(252.40)
Inter- Corporate loans	-	-	-	-	50.00
Sub-Total (B)	**66,117.41**	**29,356.51**	**19,923.67**	**25,101.85**	**23,107.60**
Total (A+B)	**79,210.68**	**45,086.02**	**25,494.14**	**31,270.57**	**26,885.11**

Financial Year 2017-18

Cash credit and overdraft are secured by way of first pari-passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Out of the total loans from Banks, loans amounting to ₹ 3,464.12 mn are guaranteed by Holding Company - IIFL Holdings Limited.

Borrowings under CBLO are secured against government securities of face value ₹ 5,700.00 mn

Unexpired discount on Commercial Paper is net of ₹ 398.08 mn towards discount accrued but not due.

Financial Year 2016-17

The above secured borrowings are secured by way of first pari-passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Out of the above secured borrowings, ₹ 4,982.87 mn are also guaranteed by holding Company IIFL Holdings Limited. Borrowings from CBLO are secured by way of Government Securities held.

Financial Year 2015-16

The above secured borrowings are secured by way of first pari-passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Out of the above secured borrowings, ₹ 4,120.00 mn are also guaranteed by holding Company IIFL Holdings Limited.

Financial Year 2014-15

The above secured borrowings are secured by way of first pari-passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Out of the above secured borrowings, ₹ 5,166.11 mn are also guaranteed by holding Company IIFL Holdings Limited (Formerly India Infoline Limited).

Financial Year 2013-14

The above secured borrowings are secured by way of first pari-passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged. Out of the above secured borrowings, ₹ 3,747.56 mn are also guaranteed by holding Company IIFL Holdings Limited (Formerly India Infoline Limited).

11. Trade payables:

(₹ in Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Total outstanding dues of micro enterprises and small enterprises (Refer note 11.1)	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises					
- Sundry creditors for expenses	48.07	20.05	23.66	18.43	26.69
- Accrued salaries and benefits	36.66	16.08	154.15	171.95	159.64
- Provision for expenses	327.50	252.51	226.18	329.54	201.71
- Other payables	0.43	10.19	23.07	21.05	20.34
Total	**412.66**	**298.83**	**427.06**	**540.97**	**408.38**

11.1 Disclosure under The Micro, Small and Medium Enterprises Development Act, 2006

The following disclosure is made as per the requirement under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of confirmations sought from suppliers on registration with the specified authority under MSMED:

(₹ in Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Principal amount remaining unpaid to any supplier at the year end	-	-	-	-	-
Interest due thereon remaining unpaid to any supplier at the year end	-	-	-	-	-
Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-	-	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-	-	-	-
Amount of interest accrued and remaining unpaid at the year end	-	-	-	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Act	-	-	-	-	-

12. Other current liabilities:

(₹ in Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Current maturities of long term borrowings (Refer note 7)	19,423.29	11,603.84	30,492.98	13,608.83	16,608.19
Sub-total (A)	**19,423.29**	**11,603.84**	**30,492.98**	**13,608.83**	**16,608.19**
Other Payables					
Payable to Group/Subsidiary Companies	-	1.90	-	6.87	2.88
Interest accrued but not due on borrowings	1,747.72	1,486.38	2,276.60	1,433.76	1,512.35
Payables on account of assignment/securitisation transactions	691.56	734.25	946.94	844.22	287.29
Temporary overdrawn Bank balance as per books	3,305.19	1,317.57	3,047.68	-	-
Advance from customers	789.70	1,548.80	496.00	792.28	542.53
Income received in advance	16.18	36.24	48.77	66.91	70.25
Statutory remittances	59.06	55.66	39.47	40.28	23.50
Gratuity payable to fund (Refer note 25.1)	3.18	4.39	4.16	1.74	38.59
Other payables (auction proceeds, retention payable, unclaimed NCD amount, etc) (Refer note 12.1)	79.45	251.38	172.75	48.71	50.23

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Sub-total (B)	**6,692.04**	**5,436.57**	**7,032.37**	**3,234.77**	**2,527.62**
Total (A+B)	**26,115.33**	**17,040.41**	**37,525.35**	**16,843.60**	**19,135.81**

Note 12.1 - No amount was due for transfer to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 in the year ended March 31,2018, March 31,2017. March 31,2016, March 31,2015 and March 31,2014.

13. Tangible Assets:

(₹ in Millions)

Particulars	Computer	Electrical Equipment	Furniture And Fixture	Office Equipment	Premises	Vehicles	Total
As at April 01, 2013	**133.22**	**321.00**	**712.20**	**312.07**	**0.09**	**-**	**1,478.58**
Additions/Adjustments	1.70	20.32	66.22	34.50	283.54	-	406.28
Deductions/Adjustments	(1.10)	(7.10)	(34.10)	(5.60)	-	-	(47.90)
As at March 31, 2014	**133.82**	**334.22**	**744.32**	**340.97**	**283.63**	**-**	**1,836.96**
Additions/Adjustments	1.78	19.70	47.61	13.84	-	5.50	88.43
Deductions/Adjustments	(3.62)	(4.24)	(35.88)	(4.80)	-	-	(48.54)
As at March 31, 2015	**131.98**	**349.68**	**756.05**	**350.01**	**283.63**	**5.50**	**1,876.85**
Additions/Adjustments	12.12	12.69	17.39	4.92	139.36	3.00	189.48
Deductions/Adjustments	(20.58)	(111.55)	(286.34)	(99.54)	-	-	(518.01)
As at March 31, 2016	**123.52**	**250.82**	**487.10**	**255.39**	**422.99**	**8.50**	**1,548.32**
Additions/Adjustments	51.13	17.17	25.93	9.07	-	-	103.30
Deductions/Adjustments	(13.78)	(43.52)	(72.26)	(17.31)	-	(2.50)	(149.37)
As at March 31, 2017	**160.87**	**224.47**	**440.77**	**247.15**	**422.99**	**6.00**	**1,502.25**
Additions/Adjustments	96.99	27.58	102.90	25.15	-	-	252.62
Deductions/Adjustments	(30.10)	(37.48)	(72.80)	(26.91)	-	(3.00)	(170.29)
As at March 31, 2018	**227.76**	**214.57**	**470.87**	**245.39**	**422.99**	**3.00**	**1,584.58**
Depreciation							
As at April 01, 2013	**68.00**	**97.57**	**252.61**	**96.50**	**0.10**	**-**	**514.78**
Depreciation for the year	41.13	82.97	175.11	76.00	11.75	-	386.96
Deductions/Adjustments	(0.90)	(3.60)	(15.88)	(3.43)	-	-	(23.81)
As at March 31, 2014	**108.23**	**176.94**	**411.84**	**169.07**	**11.85**	**-**	**877.93**
Additions/Adjustments	21.85	71.85	138.27	65.72	14.18	0.24	312.11
Deductions/Adjustments	(3.39)	(3.04)	(29.48)	(3.62)	-	-	(39.53)
As at March 31, 2015	**126.69**	**245.75**	**520.63**	**231.17**	**26.03**	**0.24**	**1,150.51**
Additions/Adjustments	6.26	58.49	122.74	61.38	16.50	1.30	266.67
Deductions/Adjustments	(19.57)	(98.74)	(243.81)	(87.02)	-	-	(449.14)
As at March 31, 2016	**113.38**	**205.50**	**399.56**	**205.53**	**42.53**	**1.54**	**968.04**
Additions/Adjustments	12.66	34.18	47.39	32.71	21.15	1.37	149.46
Deductions/Adjustments	(13.51)	(40.64)	(65.48)	(15.99)	-	(0.71)	(136.33)
As at March 31, 2017	**112.53**	**199.04**	**381.47**	**222.25**	**63.68**	**2.20**	**981.17**
Additions/Adjustments	30.57	17.05	45.10	22.27	21.15	1.10	137.24
Deductions/Adjustments	(29.73)	(34.44)	(69.07)	(26.26)	-	(1.30)	(160.80)
As at March 31, 2018	**113.37**	**181.65**	**357.50**	**218.26**	**84.83**	**2.00**	**957.61**
Net Block							
March 31, 2014	**25.59**	**157.28**	**332.48**	**171.90**	**271.78**	**-**	**959.03**

Particulars	Computer	Electrical Equipment	Furniture And Fixture	Office Equipment	Premises	Vehicles	Total
March 31, 2015	5.29	103.93	235.42	118.84	257.60	5.26	726.34
March 31, 2016	10.14	45.32	87.54	49.86	380.46	6.96	580.28
March 31, 2017	48.34	25.43	59.30	24.90	359.31	3.80	521.08
March 31, 2018	114.39	32.89	113.40	27.13	338.16	1.00	626.97

14. Intangible Assets (other than internally generated):

(₹ in Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Software (for own use)					
Gross Block					
Cost	8.55	6.01	6.25	6.25	5.94
Additions/Adjustments	17.91	2.54	-	-	0.31
Deductions/Adjustments	-	-	(0.24)	-	-
Closing Gross Block	**26.46**	**8.55**	**6.01**	**6.25**	**6.25**
Amortisation					
Opening	6.35	5.99	6.13	6.03	5.84
Amortisation for the year	7.04	0.36	0.10	0.10	0.19
Deductions / Adjustments during the year	-	-	(0.24)	-	-
Accumulated amortisation	**13.39**	**6.35**	**5.99**	**6.13**	**6.03**
Net Block	**13.07**	**2.20**	**0.02**	**0.12**	**0.22**

15. Non – current investments:

(₹ in Million)

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount
Trade Investments										
Investment in equity shares of Subsidiaries (Fully paid) (Unquoted):										
India Infoline Housing Finance Limited	19,968,181.00	7,254.77	19,968,181.00	7,254.77	14,968,181.00	3,404.77	10,900,000.00	1,005.00	10,900,000.00	1,005.00
	10		*10*		*10*		*10*		*10*	
Samasta Microfinance Limited	108,417,631.00	1,214.29	58,417,631.00	714.29		-		-		-
	10		*10*							
Clara Developers Private Limited	10,000.00	0.15		-		-		-		-
	10									
Sub-total (A)		**8,469.21**		**7,969.06**		**3,404.77**		**1,005.00**		**1,005.00**
Investment in Preference shares of Subsidiaries:										
India Infoline Housing Finance Limited 10% Redeemable (Fully Paid UP)		-		-	2,000,000.00	300.00	2,000,000.00	300.00	2,000,000.00	300.00
					10		*10*		*10*	

REFORMATTED SUMMARY STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED

Notes forming part of Reformatted Summary Standalone Financial Statements as at and for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount
India Infoline Housing Finance Limited 6% Compulsorily Convertible Cumulative Redeemable (Fully Paid UP)		-		-		-	25,000,000.00	250.00	135,000,000.00	1,350.00
							10		*10*	
Sub-total (B)		**-**		**-**		**300.00**		**550.00**		**1,650.00**
Sub-total (A+B) {I}		**8,469.21**		**7,969.06**		**3,704.77**		**1,555.00**		**2,655.00**
Non Trade Investments										
Investment in equity shares (Fully paid) (Unquoted):										
TransUnion CIBIL Limited (formerly, Credit Information Bureau (India) Limited)	250,000.00	155.00	250,000.00	155.00	250,000.00	155.00	250,000.00	155.00		-
	10		*10*		*10*		*10*			
Sub-total (C)		**155.00**		**155.00**		**155.00**		**155.00**		**-**
Investment in Alternative Investment Funds (Unquoted)										
IIFL Income Opportunities Fund Class B		-	932,923.14	7.65		-		-		-
			7.7648							
IIFL Income Opportunities Fund Class S		-	10,278,484.68	79.65		-		-		-
			7.7648							
IIFL Income Oppurtunities Fund		-	58,351,969.68	34.41		-		-		-
			0.7693							
IIFL National Development Agenda Fund		-	9,713,023.97	85.00		-		-		-
			8.4710							
IIFL Real Estate Fund (Domestic) Series 1 Class C		-	7,500,000.00	186.49		-		-		-
			15.9627							
IIFL Income Opportunities Fund - Series Regular Income		-	400,000,000.00	4,000.00		-		-		-
			10.00							
Sub-total (D)		**-**		**4,393.20**		**-**		**-**		**-**
Investment in Mutual Funds (Unquoted):										
IIFL India Growth Fund- Direct Plan-Growth		-	4,562,418.47	50.00	4,562,418.47	50.00		-		-
			10		*10*					
Sub-total (E)		**-**		**50.00**		**50.00**		**-**		**-**

REFORMATTED SUMMARY STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED

Notes forming part of Reformatted Summary Standalone Financial Statements as at and for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount
Investment in Non Convertible Debentures for financing real estate projects(Unquoted):										
Assotech Limited		-	520.00	52.00	2,600.00	260.00	4,680.00	468.00	4,160.00	416.00
			100,000		*100,000*		*100,000*		*100,000*	
Arch Agro Industries Limited		-		-	13,073.00	130.73	13,073.00	130.73	13,073.00	130.73
					10,000		*10,000*		*10,000*	
Radius & Deserve Land Developers Private Limited - Series E		-	120.00	120.00	120.00	120.00		-		-
			1,000,000		*1,000,000*					
Neptune Developers Limited		-		-		-		-	800.00	80.00
									1,00,000	
Pratibha Impex Private Limited		-		-		-		-	100.00	10.25
									1,00,000	
Roseberry Developers Private Limited	9,500.00	950.00		-		-	2,400.00	240.00	3,200.00	320.00
	1,00,000						*1,00,000*		*1,00,000*	
Roseberry Developers Private Limited (Series B)		-		-	1,516.00	100.00	3,000.00	300.00	4,500.00	450.00
					65,981		*1,00,000*		*1,00,000*	
Ruchi Priya Developers Private Limited		-	10,000.00	652.37	4,000.00	400.00	7,425.00	742.50	6,000.00	600.00
			60,000		*100,000*		*100,000*		*100,000*	
Sankalp Siddhi Developers Pvt Ltd		-		-		-		-	3,011.00	301.10
									100,000	
Shambhavi Realty Private Limited		-		-		-	959.19	95.92	6,074.00	607.40
							100,000		*100,000*	
Sheth Buildwell Private Limited		-		-	4,000.00	400.00	2,580.00	258.00	51.00	5.10
					100,000		*100,000*		*100,000*	
Sumit Realty Private Limited+		-		-		-		-	1,050.00	105.00
									100,000	
Sutlej Housing Private Limited		-		-		-	700.00	70.00	1,000.00	100.00
							100,000		*100,000*	
Nuevo Suncity Private Limited	7,388.89	738.89	7,388.89	738.89	9,500.00	950.00		-		-
	100,000		*100,000*		*100,000*					
Parinee Realty Private Limited		-		-	16,320.00	1,631.99	3,723.00	372.27		-
					100,000		*100,000*			
Renaissance Indus Infra Private Limited		-	164.13	16.41	2,634.00	34.59	10,000.00	1,000.00		-
			100,000		*13,131*		*100,000*			
Galleria Developers Private Limited (Series C)		-		-		-	857.00	85.72		-
							100,000			

REFORMATTED SUMMARY STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED

Notes forming part of Reformatted Summary Standalone Financial Statements as at and for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount
Wadhwa Group Holding Private Limited		-		-		-	11,500.00	1,150.00		-
							100,000			
Rajesh Habitat Private Limited	56.25	281.25	90.00	450.00		-		-		-
	5,000,000		*5,000,000*							
Spenta Suncity Private Limited - Series A	1,250.00	125.00	2,000.00	200.00		-		-		-
	100,000		*100,000*							
Shree Siddhivinayk Realhomes Private Limited		-	9,525.00	952.50		-		-		-
			100,000							
Gulam Mustafa Enterprises Private Limited		-	17,016.00	1,701.60		-		-		-
			100,000							
Alisa Infratech Private Limited - Series A	950.00	950.00	700.00	700.00		-		-		-
	1,000,000		*1,000,000*							
Janapriya Engineers Syndicate Private Limited	9,100.00	910.00		-		-		-		-
	100,000									
Zerkalo Properties Private Limited	8,450.00	845.00		-		-		-		-
	100,000									
Radius Infra Holdings Private Limited	8,499.00	849.90		-		-		-		-
	100,000									
Cushion Realty Private Limited	8,800.00	880.00		-		-		-		-
	100,000									
Spenta Sun City Private Limited	23,333.00	2,333.30		-		-		-		-
	100,000									
Radius & Deserve Land Developers Private Limited	11,500.00	1,150.00		-		-		-		-
	100,000									
Alisa Infratech Private Limited - Series B,C & D	1,000.00	1,000.00		-		-		-		-
	1,000,000									
Magic Eye Developers Private Limited	1,000.00	100.00		-		-		-		-
	100,000									
Less: Provision for dimunition in the value of investment		-		-		(26.15)		(26.15)		-
Sub-total (F)		**11,113.34**		**5,583.77**		**4,001.16**		**4,886.99**		**3,125.58**
Investment Property		2,451.14		504.07		-		-		-
Sub-total (G)		**2,451.14**		**504.07**		**-**		**-**		**-**
Market Linked Debenture										
Reliance Capital Limited*		-		-	508	50.80	448.00	44.80	448.00	44.80

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount
					100,000		*100,000*		*100,000*	
Sub-total (H)		**-**		**-**		**50.80**		**44.80**		**44.80**
Sub-total (C+D+E+F+G+H) {II}		**13,719.48**		**10,686.04**		**4,256.96**		**5,086.79**		**3,170.38**
Grand Total {I+II}		**22,188.69**		**18,655.10**		**7,961.73**		**6,641.79**		**5,825.38**

*Held to cover possible payout in respect of certain structured products issued by the company.

15.1 During the year 2017-18 the Company acquired 100% equity shares of Clara Developers Private Limited as well as title of the land towards satisfaction of dues given to Assotech Limited. The land was acquired vide sale deed dated March 30, 2018, from IDBI Trusteeship Services Private Limited, the security trustee for the underlying loan, under the provisions of The Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (SARFAESI). The land along with all rights including development rights and possession etc. now reside with the Company.

16. Deferred tax assets:

(₹ in Million)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
a.	On Depreciation	248.04	261.56	265.07	209.41	149.23
b.	On Employee benefits	26.42	1.77	1.44	0.60	13.12
c.	On Provisions	1,092.71	835.73	660.62	589.40	320.52
	Total	**1,367.17**	**1,099.06**	**927.13**	**799.41**	**482.87**

Financial Year 2017-18

In compliance with Accounting Standard 22 on 'Accounting for Taxes on Income' notified under the Companies (Accounting Standard) Rules, 2014, the Company has taken credit of ₹ 268.11 mn in the Statement of Profit and Loss towards deferred tax asset on account of timing differences.

17. Loans & advances:

(₹ in Million)

Particulars	Non Current					Current				
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Loans & Advances										
-Secured, Considered Good	46,834.27	44,207.70	46,104.36	34,579.15	30,334.30	68,363.00	52,153.77	70,481.97	82,859.18	61,689.98
-Secured, Considered Doubtful	608.36	1,518.04	1,340.99	1,405.17	449.62	1,477.28	651.70	137.89	224.00	385.70
-Unsecured, Considered Good	10,080.72	1,790.10	-	-	-	9,589.00	1,623.37	208.12	-	-
-Unsecured, Considered Doubtful	48.92	5.73	41.29	-	-	110.85	50.80	12.51	-	-
Sub-total (I)	**57,572.27**	**47,521.57**	**47,486.64**	**35,984.32**	**30,783.92**	**79,540.13**	**54,479.64**	**70,840.49**	**83,083.18**	**62,075.68**
Less : Provision for non performing loans **(II)**	(718.88)	(1,448.30)	(898.46)	(637.94)	(120.10)	(1,250.96)	(651.70)	(517.74)	(321.81)	(423.20)
Sub-total (I+II) (A)	**56,853.39**	**46,073.27**	**46,588.18**	**35,346.38**	**30,663.82**	**78,289.17**	**53,827.94**	**70,322.75**	**82,761.37**	**61,652.48**
Others loans & advances										
Dues from customers:										
-Secured, Considered Good	-	-	-	-	-	2,861.67	1,680.00	3,176.84	4,986.66	3,019.35
-Secured, Considered Doubtful	-	-	-	-	-	1,536.86	753.32	-	-	-
-Unsecured, Considered Good	-	-	-	-	-	47.70	20.30	-	-	-
-Unsecured, Considered Doubtful	-	-	-	-	-	61.45	7.75	-	-	-
Unsecured, Considered Good										
Security deposits	179.60	214.22	151.16	177.65	179.47	52.20	-	-		
Capital advances	417.06	(0.00)*	-	11.08	12.18	-	-	-		
Deposit with CCIL/ Exchange	32.10	2.00	2.00	-	-	-	-	30.00	55.00	55.00

Particulars	Non Current					Current				
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Staff loans	-	-	-	-	-	0.57	0.79	1.69	1.55	0.58
Inter corporate deposit-Unsecured	-	-	-	-	-	-	-	-	-	200.00
Prepaid expenses	26.81	36.88	50.01	68.86	-	115.12	80.83	89.14	125.36	178.24
Service tax input credit	-	-	-	-	-	-	13.76	-	3.03	29.90
Others	-	-	-	-	-	24.10	26.03	17.12	12.87	5.54
Advance Income Tax (Refer note 17.4)	1,186.53	1,216.52	842.69	543.19	-	-	-	-		
Sub-total (B)	**1,842.10**	**1,469.62**	**1,045.86**	**800.78**	**191.65**	**4,699.67**	**2,582.78**	**3,314.79**	**5,184.47**	**3,488.61**
Total (A+B)	**58,695.49**	**47,542.89**	**47,634.04**	**36,147.16**	**30,855.47**	**82,989.84**	**56,410.72**	**73,637.54**	**87,945.84**	**65,141.09**

*Amount is less than ₹ 0.01 mn hence shown as ₹ 0.00 mn wherever applicable.

17.1 During the financial year 2017-18 the Company has acquired an existing capital advance portfolio from M/S IIFL Management Services Limited (IIFLMSL), a fellow subsidiary of the Company. IIFLMSL has been underwriting affordable residential units with recognised developers in past, but IIFLMSL is now in the process of winding down the broking business and is finding it challenging to manage this book. The Company, being in the business of financing and having contact with the developers, is in a better position to manage this book and has therefore acquired the portfolio from IIFLMSL, which shall be repaid by the developers through their cash flows or sales at regular rests with a fixed rate of return. The Company is in the process of obtaining requisite no objection certificates / agreements from the respective developers/ builders for transferring said allotments letters in its name.

17.2 Loans and advances Secured, Considered good Includes loan given to subsidiary for ₹ 944.74 mn in financial year 2017-18

17.3 For the year ended March 31,2018, March 31,2017, March 31,2016,March 31 2015 and March 31,2014 secured Loans were secured by way equitable mortgage of property, pledge of shares, hypothecation of assets, Company/personal Guarantees, physical gold, undertaking to create security.

17.4 Advance Income Tax is Net of Provision for Tax as below:

(₹ in Millions)

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Provision for Tax	7,304.01	6,391.15	3,204.08	2,698.18	3,490.08

18. Other Assets:

(₹ in Millions)

Particulars	Non Current					Current				
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Unamortised debenture issue expenses	-	11.44	36.92	48.87	166.34	11.43	25.48	51.12	120.29	86.74
Fixed deposits with Banks (Refer note 18.1)	1,171.50	473.36	411.35	220.56	2.03	-	-	-	-	-

Particulars	Non Current					Current				
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Insurance claim & other receivables	-	-	-	-	-	212.30	163.18	106.31	106.48	1.83
Receivables from securitisation / assignment	-	-	-	-	-	33.47	-	-	-	-
Accrued interest on investments	-	-	-	-	-	159.66	240.87	29.52	57.15	72.78
Accrued income on loans	-	-	-	-	-	2,873.07	1,538.25	1,112.80	1,677.17	801.19
Accrued interest on fixed deposits	-	-	-	-	-	77.54	69.89	22.74	15.93	7.23
Receivables from group company	-	-	-	-	-	7.42	-	-	-	-
Others	-	-	-	-	-	-	36.05	0.81	33.88	52.46
Total	**1,171.50**	**484.80**	**448.27**	**269.43**	**168.37**	**3,374.89**	**2,073.72**	**1,323.30**	**2,010.90**	**1,022.23**

18.1 Details of Fixed Deposits:

(₹ in Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Lien marked	690.10	103.95	75.61	21.54	0.03
Margin for credit enhancement	481.40	298.30	335.74	199.02	2.00
Other deposits	-	71.11	-	-	-
Total	**1,171.50**	**473.36**	**411.35**	**220.56**	**2.03**

19. Current Investments (Valued at lower of cost and market value, unless stated otherwise):

(₹ in Millions)

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount
Current maturities of long term investments										
Investment in Alternative Investment Funds (fully paid) (unquoted):										
IIFL Income Opportunities Fund-Special Situation Class B	932,923.14	5.02		-		-		-		-
	4.6570									
IIFL Income Opportunities Fund-Special Situation Class S	10,278,484.68	50.79		-		-		-		-
	4.6570									
Sub-total (A)		**55.81**		-		-		-		-
Investment in mutual funds (unquoted):										
IIFL India Growth Fund-Direct Plan- Growth	4,562,418.45	50.00		-		-		-		
	10									

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount
Sub-total (B)		**50.00**		-		-		-		-
Investment in Non Convertible Debentures for financing real estate projects (unquoted):										
Radius & Deserve Land Developers Private Limited - Series E	120.00	120.00		-		-		-		-
	1,000,000									
Galleria Mall Developers Pvt Ltd Series C		-		-		-		-	2,285.60	228.56
									1,00,000	
Rajesh Habitat Private Limited	33.75	168.75		-		-		-		-
	5,000,000									
Spenta Suncity Private Limited - Series A	750.00	75.00		-		-		-		-
	100,000									
Assotech Limited		-		-	2,459.00	245.88	520.00	52.00		-
					100,000		*100,000*			
Neptune Developers Limited		-		-		-		-	800.00	80.00
									100,000	
Rennaissance Indus Infra Private Limited		-		-	492.00	49.24		-		-
					100,000					
Sheth Buildwell Private Ltd		-		-	25.00	2.49		-		-
					100,000					
Pratibha Impex Private Ltd		-		-		-	137.00	13.67	307.50	30.75
							100,000		*100,000*	
Roseberry Developers Pvt Ltd Series B		-		-	2,000.00	200.00	2,000.00	200.00	500.00	50.00
					100,000		*100,000*		*100,000*	
Roseberry Developers Pvt Ltd		-		-	2,905.00	85.53	1,600.00	160.00	800.00	80.00
					29,443		*100,000*		*100,000*	
Sumit Realty Private Limited		-		-		-		-	3,150.00	315.00
									1,00,000	
Sankalp Siddhi Developers Private Ltd		-		-		-		-	3,157.80	315.78
									100,000	
Ruchi Priya Developers Pvt Ltd		-		-	4,000.00	400.00	2,000.00	200.00		-
					100,000		*100,000*			
Sutlej Housing Private Limited		-		-		-	300.00	30.00		-
							100,000			
Parinee Realty Private Limited		-		-		-		-		-
Sub-total (C)		**363.75**		-		**983.14**		**655.67**		**1,100.09**
Total current maturities of long term investments (A+B+C) {I}		**469.56**		-		**983.14**		**655.67**		**1,100.09**
Non Trade Investments (Quoted)										

REFORMATTED SUMMARY STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED

Notes forming part of Reformatted Summary Standalone Financial Statements as at and for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount
Investment in Bonds:										
8.10% HUDCO-2022		-		-		-		-	2,000.00	1.93
									1,000	
8.41% IIFCL-2024		-		-		-		-	15,000.00	15.22
									1,000	
8.48% IIFCL-2028		-		-		-		-	21.00	21.72
									1,000,000	
8.48% IRFC-2028		-		-		-		-	50.00	51.38
									1,000,000	
8.50% NHAI-2029		-		-		-		-	15,000.00	15.04
									1,000	
8.63% NHB-2029		-		-		-		-	7,524.00	38.26
									5,000	
8.41% NTPC-2023		-		-		-		-	8,422.00	8.62
									1,000	
8.67% PFC-2023		-		-		-		-	44,000.00	45.16
									1,000	
7.35% NHAI – 2031	130,000.00	142.52	203,649.00	223.25	105,974.00	109.57		-		-
	1,000		*1,000*		*1,000*					
8.48% NHAI – 2028		-		-		-	90.00	98.39		-
							1,000,000			
9.25% DHFL – 2023	768,843.00	756.77	768,843.00	756.77		-		-		-
	1,000		*1,000*							
12.00% IIFL – 2018		-	1,127.00	1.13		-		-		-
			1,000							
Sub-total (D)		**899.29**		**981.15**		**109.57**		**98.39**		**197.33**
IRB InvIT Fund (E)	19,110,000.00	1,909.09		-		-		-		-
	99.90									
Total Quoted Investment (D+E) {II}		**2,808.38**		**981.15**		**109.57**		**98.39**		**197.33**
Non Trade Investments (Unquoted)										
Investment in Government Securities: (Refer Note 10) (F)	57,000,000.00	5,726.85	85,500,000.00	8,620.93		-	15,000,000.00	1,479.90	500,000.00	450.50
	100		*100*				*100*		*100*	
Investment in Alternative Investment Funds (fully paid) (unquoted):										
Indiareit Apartment Fund - Class B	66.43	6.64	85.82	9.64	96.00	10.61		-		-
	100,000		*100,000*		*100,000*					
IIFL Income Opportunites Fund		-		-	58,351,970.00	69.78	9,890,182.00	102.91	8,530,293.00	85.56
					1		*1*		*1*	
IIFL National Development Agenda Fund		-		-	9,713,024.00	100.00	9,713,024.00	100.00		-
					10		*10*			
IIFL Income Opportunites Fund-Special Situation Class B		-		-	25,542,335.00	275.02	5,857,833.00	59.53		-
					10		*10*			

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount
IIFL Real Estate Fund(Domestic) Series 1 Class B**		-		-		-	214.00	0.00		-
							10			
IIFL Real Estate Fund(Domestic) Series 1 Class C		-		-	7,500,000.00	186.50	7,500,000.00	554.54		-
					57		*57*			
Subtotal (G)		**6.64**		**9.64**		**641.91**		**816.98**		**85.56**
Investment in mutual funds (Unquoted):										
Reliance Fixed Horizon Fund		-	214,609.00	2.15		-	20,000,000.00	200.00		-
			10				*10*			
Kotak Bond Plan A		-		-	8,438,732.00	337.95	12,114,297.00	483.30		-
					10		*10*			
HDFC monthly Income Plan-Long Term Plan-Growth		-		-	13,781,672.00	393.33	17,878,898.00	508.30		-
					10		*10*			
Birla Sunlife Income Plus Growth		-		-	5,638,900.00	355.48	7,493,687.00	470.80		-
					10		*10*			
ICICI Prudential Gilt Fund		-		-	13,703,744.00	380.99		-		-
					10					
ICICI Prudential Value fund series 6 (Div)		-		-		-	500,000.00	5.00		-
							10			
ICICI Prudential Value fund series 6 (G)		-		-		-	2,500,000.00	25.00		-
							10			
Birla Sunlife Fixed Term Plan SR IP Regular		-		-		-	3,500,000.00	38.76		-
							10			
HDFC FMP SR 30		-		-		-		-	42,300,000.00	423.00
									10	
HDFC FMP SR 27		-		-		-		-	5,097,100.00	52.85
									10	
JP Morgan Mutual Fund		-		-		-		-	9,307,871.00	97.79
									10	
IIFL India Growth Fund-Direct Plan- Growth		-		-		-	11,230,487.00	120.00		-
							10			
DWS Ultra Short Term Fund		-		-		-	73,501,223.00	1,130.00	46,634,954.00	700.00
							10		*10*	
IIFL Short term Income fund		-		-		-		-	1,000,000.00	10.00
									10	
IIFL Liquid Fund Regular Growth		-		-		-	8,986.00	10.00		-
							1,000			
Pramerica Fixed Duration Fund SR5		-		-		-		-	40,000.00	43.81
									1,000	
Subtotal (H)		**-**		**2.15**		**1,467.75**		**2,991.16**		**1,327.45**

REFORMATTED SUMMARY STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED

Notes forming part of Reformatted Summary Standalone Financial Statements as at and for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	Face Value		Face Value		Face Value		Face Value		Face Value	
Investment in Non Convertible Debentures for financing real estate projects (unquoted):										
Assotech Limited		-	2,080.00	208.00		-		-	1,040.00	104.00
			100,000						*100,000*	
Galleria Mall Developers Pvt Ltd		-		-		-		-	3,378.40	337.84
									1,00,000	
Roseberry Developers Private Limited		-	1,000.00	100.00		-		-		-
			100,000							
Nuevo Suncity Private Limited	2,111.11	211.11	2,111.11	211.11		-		-		-
	100,000		*100,000*							
Wadhwa Constructions & Infrastructure Pvt Ltd		-		-		-	5,000.00	500.00	5,000.00	500.00
							100,000		*100,000*	
Wadhwa Group Holdings Pvt Ltd		-		-		-		-	11,500.00	1,150.00
									1,00,000	
Parinee Realty Private Limited		-		-		-	6,027.00	602.72		-
							100,000			
Renaissance Indus Infra Private Limited		-	656.53	65.65		-		-		-
			100,000							
Sub Total (I)		**211.11**		**584.76**		**-**		**1,102.72**		**2,091.84**
Investment in Market Linked Debentures (unquoted):										
Reliance Capital Limited #		-	60.00	6.00		-		-		-
			100,000							
8.65% IIFL Series 39 Type I – 2018		-	10.00	10.00		-		-		-
			1,000,000							
8.65% IIFL Series 40 – 2018		-	15.00	15.00		-		-		-
			1,000,000							
8.65% IIFL Series 41 Type I – 2018		-	35.00	35.00		-		-		-
			1,000,000							
8.65% IIFL Series 41 Type II – 2018		-	3.00	3.00		-		-		-
			1,000,000							
8.65% IIFL Series 42 Type I – 2018		-	25.00	25.00		-		-		-
			1,000,000							
8.65% IIFL Series 41 Type III – 2018		-	50.00	50.00		-		-		-
			1,000,000							
Subtotal (J)		**-**		**144.00**		**-**		**-**		**-**
Preference Shares										
16.06% - IL&FS Limited		-		-		-		-	2,256.00	28.20
									7,500	
Subtotal (K)		**-**		**-**		**-**		**-**		**28.20**

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount	Number Face Value	Amount
Total Unquoted Investment (F+G+H+I+J+K) {III}		**5,944.60**		**9,361.48**		**2,109.66**		**6,390.76**		**3,983.55**
Total {I+II+III}		**9,222.54**		**10,342.63**		**3,202.37**		**7,144.82**		**5,280.97**
Less: Diminution in the value of Investments		(366.30)		(1.06)		-		-		(11.75)
Grand Total		**8,856.24**		**10,341.57**		**3,202.37**		**7,144.82**		**5,269.22**
Aggregate cost of unquoted mutual fund units		50.00		2.14		1,467.75		2,991.16		1,327.45
Market value of unquoted mutual fund units*		65.96		2.21		1,544.99		3,100.67		1,349.58
Aggregate cost of quoted investments		2,808.38		981.15		109.57		98.39		197.33
Aggregate market value of quoted investments		2,493.31		1,042.20		108.99		98.18		199.42
Aggregate cost of unquoted investments		6,364.16		9,359.34		1,625.05		4,055.27		3,756.19

*Market value of investments in unquoted mutual fund units represents the repurchase price of the units issued by the mutual funds.

** Amount is less than ₹ 0.01 mn hence shown as ₹ 0.00 mn wherever applicable.

Held to cover possible payout in respect of certain structured products issued by the company.

20. Inventories (Valued at lower of cost or net realisable value) *:

(₹ in Millions)

Particulars		As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Options*	**Strike Price**										
Nifty Call 26-06-2014	4,500	-	-	-	-	-	-	-	-	13,550	15.52
Nifty Call 26-06-2014	4,600	-	-	-	-	-	-	-	-	9,000	10.62
Nifty Call 26-06-2014	6,500	-	-	-	-	-	-	-	-	(10,000)	(2.95)
Sub-total			-		-		-		-		**23.19**
Non convertible Debentures*	**Face Value**										
Equity linked non convertible debentures of Macquarie Finance (India) Private Limited	100,000	-	-	-	-	-	-	-	-	473	47.30
Sub-total			**-**		**-**		**-**		**-**		**47.30**
Total			**-**		**-**		**-**		**-**		**70.49**
Aggregate market value			-		-		-		-		**133.83**

*Held to cover possible payout in respect of certain structured products issued by the Company.

21. Trade receivables:

(₹ in Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Trade receivables outstanding for a period exceeding six months from the date they were due for payment					
- Considered good	-	-	-	-	-
- Considered doubtful	-	-	-	-	-
Trade receivables outstanding for a period less than six months from the date they were due for payment					

- Considered good	207.19	1,692.55	1,060.03	427.79	731.72
- Considered doubtful	-	-	-	-	-
Total	**207.19**	**1,692.55**	**1,060.03**	**427.79**	**731.72**

22. Cash and cash equivalents:

(₹ in Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Cash and Cash Equivalents					
Cash on hand	228.66	139.05	126.75	445.39	225.87
Balance with Banks:					
- In Current accounts	1,306.71	9,060.62	3,505.81	7,244.29	3,093.87
Cash and Cash Equivalents (As per AS -3 Cash Flow Statement) Subtotal (A)	**1,535.37**	**9,199.67**	**3,632.56**	**7,689.68**	**3,319.74**
Other Banks Balances:					
Balance with Banks in earmarked accounts towards unclaimed amount on NCD	213.52	218.62	11.58	9.30	985.57
Deposits with original maturity for more than three months but less than twelve months					
a) Pledged with banks as margin for credit enhancement/ guarantees for credit enhancement/ lien against loans taken	7,479.40	7,476.30	1,716.05	2,183.23	1,293.07
b) Other deposits	5.00	454.70	29.09	2.08	54.06
Subtotal (B)	**7,697.92**	**8,149.62**	**1,756.72**	**2,194.61**	**2,332.70**
Total (A + B)	**9,233.29**	**17,349.29**	**5,389.28**	**9884.29**	**5,652.44**

22.1 Details of Fixed Deposits:

(₹ in Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Lien marked	6,123.68	5,892.00	441.24	1,329.71	550.27
Margin for credit enhancement	1,355.72	1,584.30	1,274.81	853.52	742.80
Other deposits	5.00	454.70	29.09	2.08	54.06
Total	**7,484.40**	**7,931.00**	**1,745.14**	**2,185.31**	**1,347.13**

23. Revenue from Operations:

(₹ in Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Income from financing activities					
Interest Income	22,072.43	20,291.84	19,687.98	20,405.58	16,429.74
- Interest on loans	21,353.48	19,399.14	18,963.52	20,293.36	16,317.69

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
- Interest on investments	718.95	892.70	724.46	112.22	112.05
Others	168.77	39.86	237.13	62.41	129.19
Other financial services:					
- Processing fees (net) (Refer note 23.1)	374.11	136.42	233.83	177.71	200.38
- Administration fee & other charges from customer	789.61	528.32	620.91	263.85	179.03
Profit on sale of current investments	958.80	1,064.74	711.07	231.91	230.60
Profit on sale of non current investments	46.45	55.87	23.50	53.77	32.45
Interest on fixed deposits with Banks	575.93	483.35	198.59	154.91	74.94
Dividend income from Subsidiary company	-	32.55	50.90	-	1.11
Dividend income on non current investments	4.91	4.03	3.75	100.78	78.59
Total	**24,991.01**	**22,636.98**	**21,767.66**	**21,450.92**	**17,356.03**

23.1 Processing fees includes:

(₹ in Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Processing fees	682.31	349.63	390.72	357.08	395.95
Less: DSA and other sourcing cost	(308.20)	(213.21)	(156.89)	(179.37)	(195.57)
Total	**374.11**	**136.42**	**233.83**	**177.71**	**200.38**

24. Other Income:

(₹ in Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Profit on sale of fixed assets (net)	0.75	-	-	-	-
Interest on Income Tax refund	10.03	-	-	18.73	-
Miscellaneous income	50.15	5.26	148.86	117.36	426.08
Total	**60.93**	**5.26**	**148.86**	**136.09**	**426.08**

25. Employee Benefit Expenses:

(₹ in Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Salaries	2,628.98	1,985.64	1,813.22	1,876.01	1,544.80
Contribution to :	-	-	-	-	-
- Provident and other funds (Refer note 25.2)	133.28	99.71	96.13	75.44	29.49
- Gratuity (Refer note 25.1)	32.86	22.36	17.61	4.89	9.66
Staff welfare expenses	86.47	75.95	84.68	71.20	41.36
Total	**2,881.59**	**2,183.66**	**2,011.64**	**2,027.54**	**1,625.31**

25.1 Disclosures pursuant to Accounting Standard (AS) 15 on "Employee Benefits":

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Assumptions					

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Discount rate	7.80%	6.81%	7.84%	7.89%	9.14%
Salary escalation	8.00%	5.00%	5.00%	5.00%	5.00%
Rate of return on plan assets	7.80%	6.81%	7.84%	7.89%	8.70%
Attrition Rate	For service 4 years and below 35% p.a. & thereafter 2% p.a	For service 4 years and below 25% p.a. & thereafter 10% p.a	For service 4 years and below 25% p.a.& thereafter 10% p.a	For service 4 years and below 25% p.a.& thereafter 10% p.a	For all service groups 15% p.a
Mortality Rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Change in Benefit Obligation					
Liability at the beginning of the year	67.18	47.66	43.85	40.31	28.71
Interest cost	4.57	3.74	3.46	3.68	2.30
Current service cost	15.87	12.70	13.07	14.60	14.09
Liability transferred in	2.59	1.98	0.93	2.19	3.84
Liability transferred out	(1.63)	(2.02)	(3.32)	(0.73)	(0.19)
Benefit paid directly by the employer	(0.02)	(0.08)	-	-	-
Benefit paid from the fund	(10.17)	(6.57)	(12.71)	(3.08)	(2.01)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(18.32)	-	-	(13.12)	(6.43)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	22.81	7.65	0.17	-	-
Actuarial (Gains)/Losses on Obligations - Due to Experience	11.15	2.12	2.21	-	-
Liability at the end of the year	**94.03**	**67.18**	**47.66**	**43.85**	**40.31**
Change in Fair Value of Plan Assets					
Fair Value of Plan Assets at the beginning of the year	62.79	43.50	42.11	1.72	3.43
Expected Return on Plan Assets	4.28	3.41	3.32	0.15	0.29
Contributions by the Company	35.01	22.01	12.80	43.20	-
Benefits paid from the fund	(10.17)	(6.57)	(12.71)	(3.08)	(2.01)
Actuarial Gains/(Losses) on Plan Assets	(1.06)	0.44	(2.02)	0.12	0.01
Fair Value of Plan Assets at the end of the year	**90.85**	**62.79**	**43.50**	**42.11**	**1.72**
Amount Recognised in the Balance Sheet					
Present Value of Benefit Obligation at the end of the Year	(94.03)	(67.18)	(47.66)	(43.85)	(40.31)
Fair value of plan assets at the end of the year	90.85	62.79	43.50	42.11	1.72
Funded Status (Deficit)	(3.18)	(4.39)	(4.16)	(1.74)	(38.59)
Net Liability recognised in the Balance Sheet under Other Current Liabilities	**(3.18)**	**(4.39)**	**(4.16)**	**(1.74)**	**(38.59)**
Expense recognised in the Statement of Profit and Loss under Employee Benefit Expense	-	-	-	-	-
Interest cost	0.30	0.33	0.14	3.53	2.01
Current service cost	15.87	12.70	13.07	14.60	14.09
Actuarial (Gain) or loss	16.69	9.33	4.40	(13.24)	(6.44)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Expense recognised in Profit and Loss Statement	**32.86**	**22.36**	**17.61**	**4.89**	**9.66**
Balance Sheet reconciliation					
Opening net liability	4.39	4.16	1.74	38.59	25.28
Expense Recognised in the Statement of Profit and Loss	32.86	22.36	17.61	4.89	9.66
Net Liability Transfer In	2.59	1.98	0.93	2.19	3.84
Net Liability Transfer Out	(1.63)	(2.02)	(3.32)	(0.73)	(0.19)
Benefits directly paid by employer	(0.02)	(0.08)	-	-	-
Employers contribution	(35.01)	(22.01)	(12.80)	(43.20)	-
Net Liability recognised in the Balance Sheet	**3.18**	**4.39**	**4.16**	**1.74**	**38.59**

(₹ in Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Experience Adjustment:					
Liability at the end of the year	(94.03)	(67.18)	(47.66)	(43.85)	(40.31)
Fair value of plan assets at the end of the year	90.85	62.79	43.50	42.11	1.72
Funded Status (Surplus/(Deficit))	(3.18)	(4.39)	(4.16)	(1.74)	(38.59)
Experience adjustment on Plan liabilities	11.14	2.12	2.21	-	-
Experience adjustment on Plan assets	(1.06)	0.44	(2.02)	0.12	0.01

Financial Year 2017-18

a) The estimate of future salary increase, considered in the actuarial valuation, takes into account inflation, seniority, promotion, increments and other relevant factors.

b) Estimated amount of payment in respect of gratuity to the fund will be ₹ 22.98 mn in F.Y 2018-2019.

c) Information for major category of plan assets of gratuity fund is not available with the Company and hence not disclosed as per the requirements of AS-15.

Financial year 2016-17,2015-16,2014-15 and 2013-14

a) The estimate of future salary increase, considered in the actuarial valuation, takes into account inflation, seniority, promotion, increments and other relevant factors.

b) Information for major category of plan assets of gratuity fund is not available with the Company and hence not disclosed as per the requirements of AS-15.

25.2 Defined contribution plans:

The Company has recognised the following amounts as expense in the Statement of Profit and Loss:

(₹ in Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Contribution to provident fund	101.70	83.20	79.91	54.07	8.40
Contribution to ESIC	31.39	16.34	16.04	21.20	20.91
Contribution to labour welfare fund	0.19	0.17	0.18	0.17	0.18
Total	**133.28**	**99.71**	**96.13**	**75.44**	**29.49**

26. Finance Cost:

(₹ in Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Interest expense	11,917.70	11,787.04	12,629.77	12,488.58	10,462.99
Other borrowing costs	201.35	238.90	212.75	214.13	257.65
Total	**12,119.05**	**12,025.94**	**12,842.52**	**12,702.71**	**10,720.64**

During the Financial Year 2016-2017 the Company has changed its Accounting Policy with respect to amortization of Non Convertible Debenture Issues Expenses including ancillary and other acquisition costs. If the same was not changed the Company's profit before Tax would have been lower by ₹ 14.92 millions.

27. Depreciation and amortisation expenses:

(₹ in Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Depreciation on Tangible Assets (Refer note 13)	137.24	149.46	266.67	312.11	386.96
Amortisation of Intangible Assets (Refer note 14)	7.04	0.36	0.10	0.10	0.19
Total	**144.28**	**149.82**	**266.77**	**312.21**	**387.15**

28. Other expenses:

(₹ in Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Advertisement & marketing expenses *	168.34	122.85	128.30	203.15	288.15
Direct operating expenses	231.00	100.41	80.51	68.21	57.76
Commission to non wholetime Directors	2.34	1.50	1.00	2.00	-
Bank charges	59.82	64.99	41.74	71.44	108.99
Communication costs	77.39	71.34	74.19	80.14	82.51
Electricity	81.32	84.92	84.23	94.16	96.54
Exchange and statutory charges	10.95	12.41	15.47	27.71	14.33
Legal & Professional fees *	254.46	179.89	206.77	147.94	129.80
Directors sitting fees	2.64	2.21	5.58	3.82	0.71
Office expenses	199.38	135.83	220.10	310.78	339.70
Postage & courier	35.29	39.19	30.86	22.18	37.87
Printing & stationery	31.78	28.12	36.01	53.06	74.24
Rates & taxes	4.38	2.08	5.20	2.66	6.24
Rent (Refer note 33)	442.20	409.98	446.78	485.48	494.45
Repairs & maintenance					
- Computer	4.01	5.87	10.46	7.85	2.28
- Others	84.87	35.34	51.75	58.68	47.24
Remuneration to Auditors					
- Audit fees	1.75	1.19	1.19	1.19	1.03
- Certification expenses	0.04	0.10	0.10	0.05	0.03
- Out of pocket expenses	0.04	0.12	-	-	-
Software charges	59.94	37.66	56.04	6.70	33.86
Travelling and conveyance	144.94	169.57	171.66	179.01	162.31
Loss on sale of fixed assets (net)	-	8.94	6.97	2.41	18.93
Corporate social responsibility expenses (Refer note 40)	86.88	70.25	59.52	13.70	-
Miscellaneous expenses	47.64	33.43	29.57	60.86	3.64
Total	**2,031.40**	**1,618.19**	**1,764.00**	**1,903.18**	**2,000.61**

***Includes below payment done in foreign currency:**

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Advertisement & marketing expenses	1.99	0.32	-	-	-
Legal & Professional fees (recruitment charges)	1.35	0.73	0.16	-	-

29. Provisions and Write offs:

(₹ in Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Bad debts written off (net) (Refer note 29.1)	2,167.44	609.55	412.64	87.87	32.43
Provision for contingencies	(15.41)	144.63	1.72	209.56	43.42
Provision for diminution in the value of investments	366.30	(25.09)	-	14.39	11.75
Provision for non performing loans	(130.17)	683.80	456.44	416.45	243.81
Contingent provision against standard assets	163.39	-	10.00	199.75	43.50
Total	**2,551.55**	**1,412.89**	**880.80**	**928.02**	**374.91**

29.1 Includes loss on sale of non performing loans ₹ 197.05 mn (Refer note 41 (iv)(F)(ii)) for 2017-2018.

30. Basic and Diluted Earnings Per Share (EPS) computed in accordance with Accounting Standard (AS) 20 "Earnings Per Share":

Particulars		As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Basic EPS						
Profit after Tax as per Statement of Profit and Loss (₹ in millions)		3,544.97	3,427.28	2,717.32	2,477.25	1,794.62
Less: Preference Dividend and DDT on Preference Dividend (₹ in millions)		48.08	131.21	312.87	43.30	-
Profit after Tax attributable to equity shareholders (₹ in millions)	**A**	3,496.89	3,296.07	2,404.45	2,433.95	1,794.62
Weighted average number of equity shares outstanding	**B**	237,831,520	237,154,141	237,154,030	237,154,030	237,154,030
Basic EPS (In ₹)	**A/B**	**14.70**	**13.90**	**10.14**	**10.26**	**7.57**
Diluted EPS						
Weighted average number of equity shares for computation of Basic EPS		237,831,520	237,154,141	237,154,030	237,154,030	237,154,030
Add: Potential equity shares		43,381,505	22,493,539	-	-	-
Weighted average number of equity shares for computation of Diluted EPS	**C**	281,213,025	259,647,680	237,154,030	23,71,54,030	23,71,54,030
Diluted EPS (In ₹)	**A/C**	**12.44**	**12.69**	**10.14**	**10.26**	**7.57**
Face Value per share In ₹		10.00	10.00	10.00	10.00	10.00

31. Contingent liabilities: **(₹ in Millions)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
In respect of Income tax demands (Refer note (a))	211.69	290.72	257.84	161.87	79.32
In respect of Bank guarantee given (Refer note (b))	500.00	-	-	-	-
Legal suits filed by the consumers in consumer forum and civil court (Refer note (c))	-	-	-	0.20	-

(a) The Company has filed appeal against the said demands raised by the Income Tax Department.
(b) The above guarantee has been given on behalf of subsidiary company Samasta Microfinance Limited.
(c) Legal suits filed by the consumers in consumer forum and civil court.
(d) The Company is subject to legal proceedings in respect of claims which have arisen in the ordinary course of the business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Company's financial position for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

32. Commitments not provided for: **(₹ in Millions)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Estimated amount of contracts remaining to be executed on capital account	68.91	51.89	17.98	5.06	39.10
Commitments related to loans sanctioned but undrawn	7,274.56	9,430.70	9,549.50	19,413.24	-

Details for Commitments related to loans sanctioned but undrawn were not provided for FY 2013-14 as the same was not required to be reported.

33. Minimum Lease Payments

The Company has taken office premises on operating lease at various locations. Lease rents in respect of the same have been charged to the Statement of Profit and Loss. The totals of future minimum lease rentals under non-cancellable operating leases, outstanding are as under:

(₹in Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Upto one year	3.93	0.67	0.36	0.04	0.18
One to five years	6.95	-	0.42	0.86	1.93
Total	**10.88**	**0.67**	**0.78**	**0.90**	**2.11**

34. Shared services: (Financial year 2017-18,2016-17,2015-16,2014-15,2013-14)

The Company operates from and uses the premises, infrastructure and other facilities and services as provided to it by its Holding Company/group companies, which are termed as 'Shared Services'. Hitherto, such shared services consisting of administrative and other revenue expenses paid for by the Company were identified and recovered/recoverable from them based on reasonable management estimates, which are constantly refined in the light of additional knowledge gained relevant to such estimation. These expenses are recovered on an actual basis and the estimates are used only where actual were difficult to determine.

35. Segment reporting: (Financial year 2017-18,2016-17,2015-16,2014-15,2013-14)

In the opinion of the management, there is only one reportable business segment (Financing & Investing) as envisaged by Accounting Standard - 17 on 'Segment Reporting'. Accordingly, no separate disclosure for segment reporting is required to be made in the Financial Statements of the Company. Secondary segmentation based on geography has not been presented as the Company operates primarily in India and the Company perceives that there is no significant difference in its risk and returns in operating from different geographic areas within India.

36. Employee Stock Option Plan:

The Company has implemented "India Infoline Finance Limited Employees Stock Options Plan-2015" (IIFL ESOP 2015) and has outstanding options granted under the said scheme. The options are granted by the Nomination & Remuneration Committee and they vest in graded manner and must be exercised within the specified period as per the IIFL ESOP 2015.

A. Details of IIFL ESOP Plan 2015:

Particulars	ESOP 2015
Number of options outstanding as on March 31, 2018;2017;2016	2,034,958; 2,582,488; 780,040
Method of accounting	Intrinsic Value
Vesting plan	Options currently granted would vest over a period of maximum four years subject to a minimum period of one year from the date of grant of options
Exercise period	Maximum seven years from the date of grant
Grant Dates	2-Dec-2015, 2-Dec-2015, 9-Mar-2016 and

Particulars	ESOP 2015
	8-Feb-2017
Grant Price (₹ Per Share)	₹ 83, ₹ 83, ₹ 83 and ₹ 144
Fair Value on the date of Grant of Option (₹ Per Share)	₹ 83, ₹ 83, ₹ 83 and ₹ 144

B. Movement of option Granted:

Particulars	2017-2018	2016-2017	2015-2016
Options outstanding at the beginning of the year	2,582,488	780,040	-
Granted during the year	-	1,900,000	780,040
Exercised during the year	(242,520)	(10,972)	-
Lapsed during the year	(305,010)	(86,580)	-
Options outstanding at the end of the year	**2,034,958**	**2,582,488**	**780,040**

C. Fair Value Methodology:

The fair value of options has been estimated on the date of grant, using Black Scholes model. Key assumptions are as follows:

Particulars	ESOP 2015			
Grant Date	2-Dec-15	2-Dec-15	9-Mar-16	8-Feb-17
Risk free interest rate	7.60%-7.70%	7.60%-7.64%	7.62%-7.74%	6.60%-6.77%
Expected average life	5.00	4.45	5.00	5.00
Expected volatility of share price	10.00%	10.00%	10.00%	10.00%
Dividend yield	3.00%	3.00%	3.00%	3.00%
Fair value on the date of grant (₹/option)	15.93	14.72	16.01	23.84

Impact of fair value method on net profit and earnings per share:

Had the compensation cost for the stock options granted been determined on fair value approach, the Company's net profit & earning per share would have been as per the pro-forma amounts as indicated below:

(₹in Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Net profit after tax (as reported)	3,544.97	3,427.28	2,717.32	-	-
Less: Stock based compensation expenses determined under fair value method net of tax (pro-forma) {Gross – 2018- ₹ 15.21 2017- ₹ 6.53; 2016-₹ 1.44)}	(9.94)	(4.27)	(0.94)	-	-
Net Profit after tax (pro-forma)	3,535.03	3,423.01	2,716.38	-	-
Basic earnings per share (as reported)	14.70	13.90	10.14	-	-
Basic earnings per share (pro-forma)	14.66	13.88	10.13	-	-
Diluted earnings per share (as reported)	12.44	12.69	10.14	-	-
Diluted earnings per share (pro-forma)	12.40	12.68	10.13	-	-

37. Fraud

During the year under review, the Company had come across frauds in respect of its lending operations as stated below:

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Frauds detected	37.16	46.70	13.28	41.46	28.12
Amount recovered out of above	14.75	28.25	2.83	23.32	6.08

Note: Suitable action has been taken by the Company to recover the balance amounts.
(The above information for individual frauds exceeding ₹ 0.1 mn has been compiled from Fraud Monitoring Return filed with the RBI)

38. Gold Loan Portfolio

Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Gold loan portfolio as % of total Asset	21.39%	18.63%	20.50%	24.93%	33.67%

39. Disclosures in respect of applicability of AS – 18 Related Party Disclosures:

Financial Year 2017-18

A) Related parties where control exists:

Nature of relationship	Name of party
Holding Company	IIFL Holdings Limited
Direct Subsidiaries	India Infoline Housing Finance Limited
	Samasta Microfinance Limited (w.e.f March 01, 2017)
	Clara Developers Private Limited (w.e.f December 27, 2017)
Step down Subsidiary	Ayusha Dairy Private Limited (w.e.f March 01, 2017)
Fellow Subsidiaries	IIFL Commodities Limited (Formerly India Infoline Commodities Limited)
	India Infoline Media & Research Services Limited
	IIFL Securities Limited (Formerly India Infoline Limited)
	IIFL Management Services Limited (Formerly India Infoline Insurance Services Limited)
	IIFL Insurance Brokers Limited (Formerly India Infoline Insurance Brokers Limited))
	IIFL Wealth Management Limited
	IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)
	IIFL Wealth (UK) Limited
	IIFL Capital Inc.
	India Infoline Foundation
	IIFL Asset Reconstruction Limited
Group Companies	IIFL Distribution Services Limited
	IIFL Investment Advisor and Trustee Services Limited
	IIFL Trustee Limited (Formerly India Infoline Trustee Company Limited)
	IIFL Asset Management Limited (Formerly India Infoline Asset Management Company Limited)
	IIFL Alternate Asset Advisors Limited
	IIFL (Asia) PTE Limited
	IIFL Capital PTE Limited
	IIFL Securities PTE Limited
	IIFL Private Wealth Hong Kong Limited
	IIFL Asset Management (Mauritius) Limited (Formerly IIFL Private Wealth (Mauritius) Limited)

Nature of relationship	Name of party
	IIFL Private Wealth Management (Dubai) Limited
	IIFL Inc.
	IIFL Private Wealth (Suisse) SA.
	IIFL Wealth Finance Limited
	IIFL Capital (Canada) Limited
	Meenakshi Tower LLP (Joint Venture of IIFL Management Services Limited)
Key Managerial Personnel	Nirmal Jain
	R. Venkataraman
	Rajashree Nambiar (Upto January 31, 2018)
Relatives of Key Managerial Personnel	Madhu Jain (Spouse of Nirmal Jain)
	Aditi Athavankar (Spouse of R. Venkataraman)
Other Related Parties	Orpheus Trading Private Limited
	5Paisa Capital Limited (fellow subsidiary upto September 30, 2017)
	5Paisa P2P Limited
	Ardent Impex Private Limited

B) Significant Transaction with Related Parties: **(₹ in Millions)**

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies/Other related parties	Key Managerial Personnel and their relatives	Total
Interest Income						
IIFL Securities Limited (Formerly known as India Infoline Limited)	-	10.01	-	-	-	10.01
India Infoline Housing Finance Limited	-	-	24.63	-	-	24.63
5 Paisa Capital Limited	-	-	-	0.46	-	0.46
Samasta Microfinance Limited	-	-	62.26	-	-	62.26
Interest Expense						
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	631.98	-	-	-	631.98
IIFL Holdings Limited	1.15	-	-	-	-	1.15
India Infoline Housing Finance Limited	-	-	36.52	-	-	36.52
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	-	2.66	-	-	-	2.66
Service Charges Income						
India Infoline Housing Finance Limited	-	-	7.08	-	-	7.08
Referral Fees Income						
IIFL Wealth Management Limited	-	6.87	-	-	-	6.87
Service Fees on Assignment transaction						
Samasta Microfinance Limited	-	-	0.01	-	-	0.01
Donation Paid						
India Infoline Foundation	-	86.88	-	-	-	86.88
Arranger/Management /Marketing Support / Processing fees / Advisory expenses						
IIFL Wealth Management Limited	-	12.27	-	-	-	12.27
Samasta Microfinance Limited	-	-	65.25	-	-	65.25
India Infoline Housing Finance Limited	-	-	18.49	-	-	18.49
Rent Expenses						
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	44.57	-	-	-	44.57
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	-	0.42	-	-	-	0.42

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies/Other related parties	Key Managerial Personnel and their relatives	Total
Aditi Athavankar	-	-	-	-	2.40	2.40
Commission/ Brokerage Expense						
IIFL Securities Limited (Formerly known as India Infoline Limited)	-	0.73	-	-	-	0.73
Remuneration Paid						
Nirmal Jain	-	-	-	-	54.34	54.34
R Venkataraman	-	-	-	-	38.48	38.48
Rajashree Nambiar	-	-	-	-	27.99	27.99
Equity Dividend Paid						
IIFL Holdings Limited	652.17	-	-	-	-	652.17
Preference Dividend Paid						
IIFL Holdings Limited	99.95	-	-	-	-	99.95
ICD Taken						
IIFL Holdings Limited	1,500.00	-	-	-	-	1,500.00
India Infoline Housing Finance Limited	-	-	960.00	-	-	960.00
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	-	1,500.00	-	-	-	1,500.00
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	321,766.05	-	-	-	321,766.05
ICD Returned						
IIFL Holdings Limited	1,500.00	-	-	-	-	1,500.00
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	321,766.05	-	-	-	321,766.05
India Infoline Housing Finance Limited	-	-	960.00	-	-	960.00
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	-	1,500.00	-	-	-	1,500.00
ICD/Loan Given						
IIFL Securities Limited (Formerly known as India Infoline Limited)	-	11,500.00	-	-	-	11,500.00
India Infoline Housing Finance Limited	-	-	100.00	-	-	100.00
Samasta Microfinance Limited	-	-	4,257.50	-	-	4,257.50
5 Paisa Capital Limited	-	-	-	100.00	-	100.00
ICD/Loan received back						
IIFL Securities Limited (Formerly known as India Infoline Limited)	-	11,500.00	-	-	-	11,500.00
India Infoline Housing Finance Limited	-	-	100.00	-	-	100.00
5 Paisa Capital Limited	-	-	-	100.00	-	100.00
Samasta Microfinance Limited	-	-	3,312.76	-	-	3,312.76
Investment in Subsidiaries						
Samasta Microfinance Limited	-	-	500.00	-	-	500.00
Purchase of Investment						
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	-	0.15	-	-	-	0.15
Sale of Investment						
IIFL Wealth Finance Limited	-	-	-	86.27	-	86.27
Allocation / Reimbursement of expenses paid						
IIFL Securities Limited (Formerly known as India Infoline Limited)	-	109.65	-	-	-	109.65
IIFL Holdings Limited	59.44	-	-	-	-	59.44

REFORMATTED SUMMARY STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED

Notes forming part of Reformatted Summary Standalone Financial Statements as at and for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies/Other related parties	Key Managerial Personnel and their relatives	Total
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	-	0.98	-	-	-	0.98
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	21.01	-	-	-	21.01
Allocation / Reimbursement of expenses paid others						
IIFL Securities Limited (Formerly known as India Infoline Limited)	-	3.32	-	-	-	3.32
IIFL Holdings Limited	0.20	-	-	-	-	0.20
India Infoline Media and Research Services Limited	-	0.61	-	-	-	0.61
IIFL Commodities Limited (Formerly known as India Infoline Commodities Limited)	-	0.03	-	-	-	0.03
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	1.94	-	-	-	1.94
India Infoline Housing Finance Limited	-	-	0.75	-	-	0.75
5paisa Capital Limited	-	-	-	0.05	-	0.05
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	-	0.03	-	-	-	0.03
IIFL Insurance Brokers Limited (India Infoline Insurance Broker)	-	0.99	-	-	-	0.99
Allocation / Reimbursement of expenses received						
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	0.70	-	-	-	0.70
IIFL Commodities Limited (Formerly known as India Infoline Commodities Limited)	-	0.04	-	-	-	0.04
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	-	1.33	-	-	-	1.33
IIFL Securities Limited (Formerly known as India Infoline Limited)	-	22.41	-	-	-	22.41
5 Paisa Capital Limited	-	-	-	0.26	-	0.26
IIFL Insurance Brokers Limited (Formerly known as India Infoline Insurance Broker)	-	0.31	-	-	-	0.31
Allocation / Reimbursement of expenses received others						
IIFL Securities Limited (Formerly known as India Infoline Limited)	-	4.62	-	-	-	4.62
IIFL Holdings Limited	0.20	-	-	-	-	0.20
India Infoline Housing Finance Limited	-	-	0.72	-	-	0.72
India Infoline Foundation	-	0.01	-	-	-	0.01
IIFL Distribution Services Limited	-	0.01	-	-	-	0.01
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	-	0.02	-	-	-	0.02
IIFL Insurance Brokers Limited (Formerly known as India Infoline Insurance Brokers Limited)	-	0.11	-	-	-	0.11
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	1.00	-	-	-	1.00
India Infoline Media and Research Services Limited	-	0.06	-	-	-	0.06
Redemption of Preference Shares						
IIFL Holdings Limited	750.00	-	-	-	-	750.00
Purchase of loans						
Samasta Microfinance Limited	-	-	242.31	-	-	242.31
Payment towards Assignment Transaction						
India Infoline Housing Finance Limited	-	-	113.90	-	-	113.90
Receipt towards Assignment Transaction						
Samasta Microfinance Limited	-	-	171.41	-	-	171.41
India Infoline Housing Finance Limited	-	-	187.55	-	-	187.55

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies/Other related parties	Key Managerial Personnel and their relatives	Total
Other Receivable						
IIFL Management Services Limited (Formerly known as India Infoline Insurance Services Limited)	-	542.05	-	-	-	542.05

Note: ICD Transactions are excluding intraday funding.

C) Closing Balance:

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies/Other related parties	Key Managerial Personnel and their relatives	Total
Sundry payable						
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	45.29	-	-	-	45.29
Sundry Receivable						
Aditi Athavankar	-	-	-	-	50.00	50.00
IIFL Wealth Management Limited	-	7.42	-	-	-	7.42
Borrowing						
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	397.10	-	-	-	397.10
Receivable towards assignment						
India Infoline Housing Finance Limited	-	-	17.55	-	-	17.55
Samasta Microfinance Limited	-	-	21.87	-	-	21.87
Payable towards assignment						
India Infoline Housing Finance Limited	-	-	13.86	-	-	13.86
	-	-	-	-	-	-
Loans and advances given including interest accrued						
Samasta Microfinance Limited	-	-	953.17	-	-	953.17
	-	-	-	-	-	-
Outstanding loan amount of securitised book purchased						
Samasta Microfinance Limited	-	-	70.90	-	-	70.90
	-	-	-	-	-	-
India Infoline Housing Finance Limited	-	-	168.17	-	-	168.17
Outstanding loan amount of securitised book sold						
India Infoline Housing Finance Limited	-	-	194.03	-	-	194.03
Corporate guarantee given						
Samasta Microfinance Limited	-	-	500.00	-	-	500.00

D) Disclosure of Loan and advances pursuant to Regulation 53(f) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015:

(₹ in Millions)

Name of Related Party	Outstanding as on March 31, 2018	Maximum Outstanding during the year
IIFL Holdings Limited	-	1,150.00
India Infoline Housing Finance Limited	-	500.00
Samasta Microfinance Limited	944.74	944.74
IIFL Management Services Limited (Formerly India Infoline Insurance Services Limited)	-	1,500.00

IIFL Securities Limited (Formerly India Infoline Limited)	-	6,000.00
IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	-	45,970.00
5paisa Capital Limited	-	100.00

Financial Year 2016-17

A) Related parties where control exists:

Nature of relationship	Name of party
Holding Company	IIFL Holdings Limited
Direct Subsidiaries	India Infoline Housing Finance Limited
	Samasta Microfinance Limited (w.e.f March 01, 2017)
Step down Subsidiary	Ayusha Dairy Private Limited (w.e.f March 01, 2017)
Fellow Subsidiaries	India Infoline Commodities Limited
	India Infoline Media & Research Services Limited
	5 Paisa Capital Limited (Formerly IIFL Capital Limited)
	India Infoline Limited
	India Infoline Insurance Services Limited
	India Infoline Insurance Brokers Limited
	IIFL Wealth Management Limited
	IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)**
	IIFL Wealth (UK) Limited
	IIFL Capital Inc.
Group Companies	IIFL Distribution Services Limited
	IIFL Investment Advisor and Trustee Services Limited
	IIFL Trustee Limited (Formerly India Infoline Trustee Company Limited)
	IIFL Asset Management Limited (Formerly India Infoline Asset Management Company Limited)
	IIFL Alternate Asset Advisors Limited
	IIFL (Asia) Pte. Limited
	IIFL Capital Pte. Limited
	IIFL Securities Pte Limited
	IIFL Private Wealth Hong Kong Limited
	IIFL Asset Management (Mauritius) Limited (Formerly IIFL Private Wealth (Mauritius) Ltd)
	IIFL Private Wealth Management (Dubai) Limited
	IIFL Inc.
	IIFL Private Wealth (Suisse) SA.
	India Infoline Foundation
	IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)
	India Alternatives Investment Advisors Private Limited (Upto March 30, 2017)
Key Managerial Personnel	Nirmal Jain
	R. Venkataraman
	Rajashree Nambiar
Other Related Parties	Madhu Jain (Spouse of Mr. Nirmal Jain)
	Aditi Venkataraman (Spouse of Mr. R. Venkataraman)
	Valentino S. Peter (Spouse of Mrs. Rajashree Nambiar)
	Orpheus Trading Private Limited
	Ardent Impex Private Limited
	Meenakshi Towers LLP (Joint Venture of Fellow Subsidiary IIFL Real Estate Limited)
	IIFL Asset Reconstruction Limited

**NCLT vide its order dated March 30, 2017 has approved and sanctioned the Scheme of Amalgamation of IIFL Properties Private Limited with IIFL Real Estate Limited w.e.f. April 01, 2015. Thus, all the related party transactions with IIFL Properties Private Limited, for the current year and the previous Year, have been shown under IIFL Real Estate Limited.

B) Significant Transaction with Related Parties: **(₹ in Millions)**

REFORMATTED SUMMARY STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED

Notes forming part of Reformatted Summary Standalone Financial Statements as at and for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies	Key Managerial Personnel	Total
Interest Income						
India Infoline Limited #	-	0.00	-	-	-	0.00
IIFL Holdings Limited #	0.00	-	-	-	-	0.00
India Infoline Housing Finance Limited	-	-	51.93	-	-	51.93
IIFL Wealth Management Limited	-	0.47	-	-	-	0.47
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	0.02	-	-	-	0.02
5 Paisa Capital Limited (Formerly IIFL Capital Limited) #	-	0.00	-	-	-	0.00
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-	-	-	3.45	-	3.45
Interest Expense						
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	78.41	-	-	-	78.41
IIFL Holdings Limited	0.30	-	-	-	-	0.30
India Infoline Commodities Limited #	-	0.00	-	-	-	0.00
India Infoline Housing Finance Limited	-	-	58.50	-	-	58.50
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-	-	-	0.64	-	0.64
Service Charges Income						
India Infoline Housing Finance Limited	-	-	12.42	-	-	12.42
Referral Fees Income						
IIFL Wealth Management Limited	-	10.25	-	-	-	10.25
Donation Paid						
India Infoline Foundation	-	65.27	-	-	-	65.27
Arranger/ Processing fees / Advisory expenses						
IIFL Holdings Limited	0.80	-	-	-	-	0.80
IIFL Wealth Management Limited	-	52.12	-	-	-	52.12
India Infoline Housing Finance Limited	-	-	28.05	-	-	28.05
Rent Expenses						
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	59.45	-	-	-	59.45
Aditi Venkatraman	-	-	-	-	0.40	0.40
Commission/ Brokerage Expense						
India Infoline Limited	-	0.66	-	-	-	0.66
Remuneration Paid						
Director's Remuneration	-	-	-	-	81.98	81.98
Preference Dividend Received						
India Infoline Housing Finance Limited	-	-	32.55	-	-	32.55
Preference Dividend Paid/Payable						
IIFL Holdings Limited	179.95	-	-	-	-	179.95
Equity Dividend Paid						
IIFL Holdings Limited	652.17	-	-	-	-	652.17
ICD Taken						
IIFL Holdings Limited	430.00	-	-	-	-	430.00
India Infoline Housing Finance Limited	-	-	1,480.00	-	-	1,480.00

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies	Key Managerial Personnel	Total
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	42,840.00	-	-	-	42,840.00
ICD Returned						
IIFL Holdings Limited	430.00	-	-	-	-	430.00
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	42,840.00	-	-	-	42,840.00
India Infoline Housing Finance Limited	-	-	1,480.00	-	-	1,480.00
ICD Given						
India Infoline Limited	-	3.10	-	-	-	3.10
IIFL Holdings Limited	7.50	-	-	-	-	7.50
India Infoline Housing Finance Limited	-	-	3,306.00	-	-	3,306.00
IIFL Wealth Management Limited	-	250.00	-	-	-	250.00
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	30.00	-	-	-	30.00
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-	-	-	1,500.00	-	1,500.00
5 Paisa Capital Limited (Formerly IIFL Capital Limited)	-	9.50	-	-	-	9.50
ICD Received Back						
India Infoline Limited	-	3.10	-	-	-	3.10
IIFL Holdings Limited	7.50	-	-	-	-	7.50
India Infoline Housing Finance Limited	-	-	3,306.00	-	-	3,306.00
IIFL Wealth Management Limited	-	250.00	-	-	-	250.00
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	30.00	-	-	-	30.00
5 Paisa Capital Limited (Formerly IIFL Capital Limited)	-	9.50	-	-	-	9.50
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-	-	-	1,500.00	-	1,500.00
Investment in Subsidiaries						
India Infoline Housing Finance Limited	-	-	3,850.00	-	-	3,850.00
Samasta Microfinance Limited	-	-	714.29	-	-	714.29
Allocation / Reimbursement of expenses paid						
India Infoline Limited	-	105.16	-	-	-	105.16
IIFL Holdings Limited	37.92	-	-	-	-	37.92
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	16.52	-	-	-	16.52
Allocation / Reimbursement of expenses paid others						
India Infoline Limited	-	3.42	-	-	-	3.42
India Infoline Media and Research Services Limited	-	3.27	-	-	-	3.27
India Infoline Insurance services Limited #	-	0.00	-	-	-	0.00
India Infoline Commodities Limited	-	0.02	-	-	-	0.02

REFORMATTED SUMMARY STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED

Notes forming part of Reformatted Summary Standalone Financial Statements as at and for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies	Key Managerial Personnel	Total
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	0.07	-	-	-	0.07
India Infoline Housing Finance Limited	-	-	0.95	-	-	0.95
India Infoline Foundation	-	0.03	-	-	-	0.03
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-	-	-	0.02	-	0.02
India Infoline Insurance Brokers Limited	-	0.80	-	-	-	0.80
Allocation / Reimbursement of expenses received						
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	2.54	-	-	-	2.54
India Infoline Commodities Limited	-	0.03	-	-	-	0.03
India Infoline Limited	-	15.09	-	-	-	15.09
5 Paisa Capital Limited (Formerly IIFL Capital Limited)	-	0.02	-	-	-	0.02
India Infoline Insurance Brokers Limited	-	0.04	-	-	-	0.04
Allocation / Reimbursement of expenses received others						
5 Paisa Capital Limited (Formerly IIFL Capital Limited) #	-	0.00	-	-	-	0.00
India Infoline Limited	-	2.19	-	-	-	2.19
India Infoline Commodities Limited	-	0.35	-	-	-	0.35
IIFL Holdings Limited	0.01	-	-	-	-	0.01
India Infoline Housing Finance Limited	-	-	1.34	-	-	1.34
India Infoline Insurance Brokers Limited	-	0.66	-	-	-	0.66
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	0.50	-	-	-	0.50
India Infoline Media and Research Services Limited	-	3.37	-	-	-	3.37
Redemption of Preference Shares						
India Infoline Housing Finance Limited	-	-	300.00	-	-	300.00
IIFL Holdings Limited	500.00	-	-	-	-	500.00
Commercial Paper Maturity procceds received						
India Infoline Limited	-	2,500.00	-	-	-	2,500.00
Security Deposit Paid						
Aditi Venkatraman	-	-	-	-	50.00	50.00
Payable towards Assignment Transaction						
India Infoline Housing Finance Limited	-	-	138.32	-	-	138.32
Receipt towards Assignment Transaction						
India Infoline Housing Finance Limited	-	-	139.58	-	-	139.58

Note: ICD transactions are excluding Intraday funding.

Amount is less than ₹ 0.01 mn hence shown as ₹ 0.00 mn wherever applicable.

C) Closing balance:

(₹ in Millions)

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies	Key Managerial Personnel	Total
Sundry payable						
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL	-	24.94	-	-	-	24.94

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies	Key Managerial Personnel	Total
Realty Limited)						
India Infoline Housing Finance Limited	-	-	11.50	-	-	11.50
IIFL Wealth Management Limited	-	1.88	-	-	-	1.88
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-	-	-	0.02	-	0.02
Sundry Receivable						
Aditi Venkatraman	-	-	-	-	50.00	50.00
Borrowing						
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	317.68	-	-	-	317.68

D) Disclosure of Loan and advances pursuant to Regulation 53(f) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015:

(₹ in Millions)

Name of Related Party	Outstanding as on March 31, 2017	Maximum outstanding during the year
India Infoline Housing Finance Limited	-	1,240.00
India Infoline Limited	-	3.10
IIFL Real Estate Limited (Formerly IIFL Facilities Services Limited and IIFL Realty Limited)	-	30.00
IIFL Wealth Management Limited	-	250.00
IIFL Wealth Finance Limited	-	1,500.00
IIFL Holdings Limited	-	7.50
5 Paisa Capital Limited	-	9.50

Financial Year 2015-16

A) Related parties where control exists:

Nature of relationship	Name of party
Holding Company	IIFL Holdings Limited (Formerly India Infoline Limited)
Direct Subsidiaries	India Infoline Housing Finance Limited
Fellow Subsidiaries	India Infoline Commodities Limited
	India Infoline Media & Research Services Limited
	IIFL Capital Limited
	India Infoline Limited (Formerly India Infoline Distribution Company Limited)
	India Infoline Insurance Services Limited
	India Infoline Insurance Brokers Limited
	IIFL Wealth Management Limited
	IIFL Realty Limited
	India Infoline Commodities DMCC
	IIFL Wealth (UK) Limited
	IIFL Capital Inc.
	IIFL Asset Reconstruction Company Limited
Group Companies	IIFL Distribution Services Limited (Formerly IIFL Distribution Services Private Limited)
	IIFL Investment Advisor and Trustee Services Limited (Formerly IIFL Trustee Services Limited)

Nature of relationship	Name of party
	India Alternative Investment Advisors Private Limited
	India Infoline Trustee Company Limited
	India Infoline Asset Management Company Limited
	IIFL Alternate Asset Advisors Limited
	IIFL (Asia) Pte. Limited
	IIFL Capital Pte. Limited
	IIFL Securities Pte Limited
	IIFL Private Wealth Hong Kong Limited
	IIFL Private Wealth (Mauritius) Limited
	IIFL Private Wealth Management (Dubai) Limited
	IIFL Inc.
	IIFL Private Wealth (Suisse) SA.
	IIFL Properties Private Limited (Formerly Ultra Sign and Display Private Limited)
	India Infoline Foundation
	IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)
Key Managerial Personnel	Nirmal Jain
	Rajashree Nambiar
Other Related Parties	R. Venkataraman
	Madhu Jain (Spouse of Mr. Nirmal Jain)
	Valentino S. Peter (Spouse of Mrs. Rajashree Nambiar)
	Orpheus Trading Private Limited
	Ardent Impex Private Limited

B) Significant Transaction with Related Parties: **(₹ in Millions)**

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies	Key Management Personnel /others	Total
Interest Income						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	0.75	-	-	-	0.75
India Infoline Housing Finance Limited	-	-	114.24	-	-	114.24
IIFL Wealth Management Limited	-	0.78	-	-	-	0.78
India Infoline Media and Research Services Limited	-	22.13	-	-	-	22.13
IIFL Investment Adviser Trustee Services Limited	-	-	-	1	-	1
IIFL Alternate Assets Advisors Limited	-	-	-	45.44	-	45.44
India Infoline Insurance Services Limited	-	0.09	-	-	-	0.09
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	11.93	-	-	-	11.93
India Infoline Commodities Limited		1.87	-	-	-	1.87
India Infoline Insurance Brokers Limited	-	0.94	-	-	-	0.94
IIFL Capital Limited	-	3.32	-	-	-	3.32
India Alternative Investment Advisors Private Limited	-	-	-	2.53	-	2.53
Mrs.Madhu Jain	-	-	-	-	4.21	4.21
Interest Expense						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	0.29	-	-	-	0.29

REFORMATTED SUMMARY STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED

Notes forming part of Reformatted Summary Standalone Financial Statements as at and for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies	Key Management Personnel /others	Total
IIFL Alternate Assets Advisors Limited	-	-	-	0.12		0.12
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	23.25	-	-	-	23.25
IIFL Holdings Limited	0.14	-	-	-	-	0.14
IIFL Wealth Management Limited	-	7.31	-	-	-	7.31
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-	-	-	0.08	-	0.08
India Infoline Commodities Limited	-	0.02	-	-	-	0.02
India Infoline Housing Finance Limited	-	-	86.65	-	-	86.65
Service Charges Income						
India Infoline Housing Finance Limited	-	-	18.67	-	-	18.67
Referral Fees Income						
IIFL Wealth Management Limited	-	226.07	-	-	-	226.07
Interest Income Reversal						
Mrs.Madhu Jain	-	-	-	-	0.49	0.49
Donation Paid						
India Infoline Foundation	-	0.07	-	-	-	0.07
Arranger/Management /Marketing Support / Processing fees / Advisory expenses						
IIFL Wealth Management Limited	-	3.42	-	-	-	3.42
Rent Expenses						
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)		78.91	-	-	-	78.91
IIFL Properties Private Limited (Formerly Ultra Sign and Display Private Limited)	-	-	-	1.42	-	1.42
Commission/ Brokerage Expense						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	0.58	-	-	-	0.58
Director's Remuneration						
Director's Remuneration	-	-	-	-	73.51	73.51
Preference Dividend						
India Infoline Housing Finance Limited	-	-	76.13	-	-	76.13
IIFL Holdings Limited (Formerly India Infoline Limited)	31.78	-	-	-	-	31.78
IIFL Alternate Assets Advisors Limited	-	-	-	1.53	-	1.53
Equity Dividend						
IIFL Holdings Limited (Formerly India Infoline Limited)	644.79	-	-	-	-	644.79
ICD Taken						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	540.00	-	-	-	540.00

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies	Key Management Personnel /others	Total
IIFL Holdings Limited	515.00		-	-	-	515.00
IIFL Wealth Management Limited	-	2,750.00	-	-	-	2,750.00
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-	-	-	150.00	-	150.00
India Infoline Housing Finance Limited	-	-	469.90	-	-	469.90
India Infoline Media and Research Services Limited	-	10.00	-	-	-	10.00
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	7,870.00	-	-	-	7,870.00
ICD Returned						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	540.00	-	-	-	540.00
IIFL Holdings Limited	515.00	-	-	-	-	515.00
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	7,870.00	-	-	-	7,870.00
IIFL Wealth Finance Limited (Formerly Chephis Capital Markets Limited)	-	-	-	150.00	-	150.00
India Infoline Media and Research Services Limited	-	10.00	-	-	-	10.00
India Infoline Housing Finance Limited	-	-	469.90	-	-	469.90
IIFL Wealth Management Limited	-	2,750.00	-	-	-	2,750.00
ICD Given						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	500.00	-	-	-	500.00
India Infoline Media and Research Services Limited	-	1,815.30	-	-	-	1,815.30
India Infoline Housing Finance Limited	-	-	6,609.50	-	-	6,609.50
IIFL Investment Adviser Trustee Services Limited	-	-	-	25.00	-	25.00
IIFL Wealth Management Limited	-	490.00	-	-	-	490.00
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	2,387.00	-	-	-	2,387.00
IIFL Alternate Assets Advisors Limited	-	-	-	4,747.50	-	4,747.50
India Infoline Insurance Brokers Limited	-	257.00	-	-	-	257.00
India Infoline Insurance Services Limited	-	3.50	-	-	-	3.50
India Infoline Commodities Limited	-	309.00	-	-	-	309.00
IIFL Capital Limited	-	543.00	-	-	-	543.00
India Alternative Investment Advisors Private Limited	-	-	-	61.50	-	61.50
ICD Received Back						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	500.00	-	-	-	500.00
India Infoline Media and Research Services Limited	-	1,815.30	-	-	-	1,815.30
India Infoline Housing Finance Limited	-	-	6,609.50	-	-	6,609.50
IIFL Wealth Management Limited	-	490.00	-	-	-	490.00
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	2,387.00	-	-	-	2,387.00

REFORMATTED SUMMARY STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED

Notes forming part of Reformatted Summary Standalone Financial Statements as at and for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies	Key Management Personnel /others	Total
India Infoline Commodities Limited	-	309.00	-	-	-	309.00
IIFL Alternate Assets Advisors Limited	-	-	-	4,747.50	-	4,747.50
India Infoline Insurance Brokers Limited	-	257.00	-	-	-	257.00
India Infoline Insurance Services Limited	-	3.50		-	-	3.50
IIFL Investment Adviser Trustee Services Limited	-	-	-	25.00	-	25.00
IIFL Capital Limited	-	543.00	-	-	-	543.00
India Alternative Investment Advisors Private Limited	-	-	-	61.50	-	61.50
Loans Given						
Mrs.Madhu Jain	-	-	-	-	1,701.48	1,701.48
Loans Received Back						
Mrs.Madhu Jain	-	-	-	-	1,701.48	1,701.48
NCD Issue						
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	150.00	-	-	-	150.00
NCD bought back						
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	150.00	-	-	-	150.00
Investment in subsidiary						
India Infoline Housing Finance Limited	-	-	1,000.00	-	-	1,000.00
Sale of Investment (Net)						
IIFL Wealth Management Limited	-	850.06	-	-	-	850.06
Purchase of Investment (Net)						
IIFL Holdings Limited	919.19	-	-	-	-	919.19
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	550.00	-	-	-	550.00
Allocation / Reimbursement of expenses paid						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	116.27	-	-	-	116.27
India Infoline Housing Finance Limited	-	-	21.99	-	-	21.99
Allocation / Reimbursement of expenses paid others						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	101.57	-	-	-	101.57
India Infoline Media and Research Services Limited	-	0.20	-	-	-	0.20
India Infoline Insurance services Limited	-	0.01	-	-	-	0.01
India Infoline Commodities Limited		0.01				0.01
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	0.29	-	-	-	0.29
India Infoline Housing Finance Limited	-	-	4.14	-	-	4.14
India Infoline Insurance Brokers Limited	-	0.14	-	-	-	0.14
Allocation / Reimbursement of expenses received						

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies	Key Management Personnel /others	Total
India Infoline Housing Finance Limited	-	-	6.28	-	-	6.28
IIFL Holdings Limited (Formerly India Infoline Limited)	0.21	-	-	-	-	0.21
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	2.83	-	-	-	2.83
India Infoline Media and Research Services Limited	-	4.64	-	-	-	4.64
India Infoline Commodities Limited	-	0.13	-	-	-	0.13
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	6.18	-	-	-	6.18
Allocation / Reimbursement of expenses received others						
IIFL Capital Limited	-	0.06	-	-	-	0.06
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	1.52	-	-	-	1.52
India Infoline Commodities Limited	-	0.16	-	-	-	0.16
IIFL Holdings Limited (Formerly India Infoline Limited)	0.29	-	-	-	-	0.29
India Infoline Housing Finance Limited	-	-	0.26	-	-	0.26
India Infoline Insurance Brokers Limited	-	1.99	-	-	-	1.99
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	1.16	-	-	-	1.16
India Infoline Media and Research Services Limited	-	0.32	-	-	-	0.32
Capital Gain on Sale of Investment						
IIFL Wealth Management Limited	-	0.99	-	-	-	0.99
Conversion of Preference Shares						
India Infoline Housing Finance Limited	-	-	1,399.77	-	-	1,399.77
Guarantee Commission						
India Infoline Media and Research Services Limited	-	0.79	-	-	-	0.79
India Infoline Insurance Brokers Limited	-	1.14	-	-	-	1.14
IIFL Facilities Services Limited(Formerly Known As IIFL Realty Limited)	-	5.23	-	-	-	5.23
Payable towards Assignment Transaction						
India Infoline Housing Finance Limited	-	-	223.83	-	-	223.83
Receipt towards Assignment Transaction						
India Infoline Housing Finance Limited	-	-	373.15	-	-	373.15
Payable towards Other Transaction						
India Infoline Housing Finance Limited	-	-	4.40	-	-	4.40

Note: ICD transactions are excluding Intraday funding.

C) Closing balance: **(₹ in Millions)**

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies	Key Management Personnel /others	Total

Sundry payable						
India Infoline Housing Finance Limited	-	-	0.50	-	-	0.50
Sundry Receivable						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	0.78	-	-	-	0.78

D) Disclosure of Loan and advances pursuant to Regulation 53(f) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015:

(₹ in Millions)

Name of Related Party	Balance on March 31, 2016	Maximum outstanding during the year
India Infoline Housing Finance Limited	-	2,556.00
India Infoline Limited	-	500.00
India Infoline Insurance Brokers Limited	-	47.00
India Infoline Commodities Limited	-	185.00
IIFL Realty Limited	-	1,420.00
IIFL Wealth Management Limited	-	300.00

Financial Year 2014-15

A) Related parties where control exists:

Nature of relationship	Name of party
Holding Company	IIFL Holdings Limited (Formerly India Infoline Limited)
Direct Subsidiaries	India Infoline Housing Finance Limited
Fellow Subsidiaries	India Infoline Commodities Limited
	India Infoline Media & Research Services Limited
	IIFL Capital Limited
	India Infoline Limited (Formerly India Infoline Distribution Company Limited)
	India Infoline Insurance Services Limited
	India Infoline Insurance Brokers Limited
	IIFL Wealth Management Limited
	IIFL Realty Limited
	India Infoline Commodities DMCC
	IIFL Wealth (UK) Limited
	IIFL Capital Inc.
	IIFL Asset Reconstruction Company Limited
Group Companies	IIFL Distribution Services Limited (Formerly IIFL Distribution Services Private Limited)
	IIFL Investment Advisor and Trustee Services Limited (Formerly IIFL Trustee Services Limited)
	India Alternative Investment Advisors Private Limited
	India Infoline Trustee Company Limited
	India Infoline Asset Management Company Limited
	IIFL Alternate Asset Advisors Limited
	IIFL (Asia) Pte. Limited
	IIFL Capital Pte. Limited
	IIFL Securities Pte Limited
	IIFL Private Wealth Hong Kong Limited
	IIFL Private Wealth (Mauritius) Limited
	IIFL Private Wealth Management (Dubai) Limited

Nature of relationship	Name of party
	IIFL Inc.
	IIFL Private Wealth (Suisse) SA.
	IIFL Properties Private Limited (Formerly Ultra Sign and Display Private Limited)
	India Infoline Foundation
Key Managerial Personnel	Nirmal Jain
	R. Venkataraman
	Mukesh Kumar Singh (Upto March 25,2015)
	Rajashree Nambiar(w.e.f January 29,2015)
Other related parties	Madhu Jain (Spouse of Mr. Nirmal Jain)
	Aditi Venkataraman (Spouse of Mr. R Venkataraman)
	Valentino S. Peter (Spouse of Mrs. Rajashree Nambiar)
	Orpheus Trading Private Limited
	Ardent Impex Private Limited

B) Significant Transaction with Related Parties: **(₹ in Millions)**

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies	Key Management Personnel	Total
Interest Income						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	0.16	-	-	-	0.16
IIFL Holdings Limited (Formerly India Infoline Limited)	7.83	-	-	-	-	7.83
India Infoline Housing Finance Limited	-	-	51.81	-	-	51.81
IIFL Wealth Management Limited	-	7.74	-	-	-	7.74
India Infoline Media and Research Services Limited	-	2.75	-	-	-	2.75
IIFL Realty Limited	-	7.69	-	-	-	7.69
India Infoline Commodities Limited	-	2.90	-	-	-	2.90
India Infoline Insurance Brokers Limited	-	0.42	-	-	-	0.42
IIFL Capital Limited	-	3.23	-	-	-	3.23
India Alternative Investment Advisors Private Limited	-	2.80	-	-	-	2.80
Interest Expense						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	0.11	-	-	-	0.11
IIFL Holdings Limited (Formerly India Infoline Limited)	3.50	-	-	-	-	3.50
IIFL Wealth Management Limited	-	4.30	-	-	-	4.30
India Infoline Housing Finance Limited	-	-	31.36	-	-	31.36
India Infoline Asset Management Company Limited	-	-	-	0.99	-	0.99
Service Charges Income						
India Infoline Housing Finance Limited	-	-	6.98	-	-	6.98
Referral Fees Income						
IIFL Wealth Management Limited	-	42.58	-	-	-	42.58
Arranger/Management /Marketing Support / Processing fees / Advisory expenses						
IIFL Alternate Advisors Limited	-	0.95	-	-	-	0.95

Rent Expenses						
IIFL Realty Limited	-	71.00	-	-	-	71.00
IIFL Properties Private Limited (Formerly Ultra Sign and Display Private Limited)	-	0.38	-	-	-	0.38
Commission/ Brokerage Expense						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	0.32	-	-	-	0.32
Director's Remuneration						
Director's Remuneration	-	-	-	-	46.72	46.72
Preference Dividend						
India Infoline Housing Finance Limited	-	-	35.00	-	-	35.00
Equity Dividend						
IIFL Holdings Limited (Formerly India Infoline Limited)	586.17	-	-	-	-	586.17
ICD Taken						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	360.00	-	-	-	360.00
IIFL Holdings Limited (Formerly India Infoline Limited)	3,190.00	-	-	-	-	3,190.00
IIFL Wealth Management Limited	-	1,467.58	-	-	-	1,467.58
India Infoline Asset Management Company Limited	-	-	-	300.00	-	300.00
ICD Returned						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	360.00	-	-	-	360.00
IIFL Holdings Limited (Formerly India Infoline Limited)	3,190.00	-	-	-	-	3,190.00
IIFL Wealth Management Limited	-	1,467.58	-	-	-	1,467.58
India Infoline Asset Management Company Limited	-	-	-	300.00	-	300.00
ICD Given						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	500.00	-	-	-	500.00
IIFL Holdings Limited (Formerly India Infoline Limited)	500.00	-	-	-	-	500.00
India Infoline Media and Research Services Limited	-	97.50	-	-	-	97.50
India Infoline Housing Finance Limited	-	-	4,708.50	-	-	4,708.50
IIFL Wealth Management Limited	-	2,543.42	-	-	-	2,543.42
IIFL Realty Limited	-	435.50	-	-	-	435.50
India Infoline Insurance Brokers Limited	-	16.00	-	-	-	16.00
India Infoline Commodities Limited	-	465.00	-	-	-	465.00
IIFL Capital Limited	-	1,069.50	-	-	-	1,069.50
India Alternative Investment Advisors Private Limited	-	40.00	-	-	-	40.00
ICD Received Back						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	500.00	-	-	-	500.00
IIFL Holdings Limited (Formerly India Infoline Limited)	500.00	-	-	-	-	500.00
India Infoline Media and Research Services Limited	-	97.50	-	-	-	97.50
India Infoline Housing Finance Limited	-	-	4,708.50	-	-	4,708.50
IIFL Wealth Management Limited	-	2,543.42	-	-	-	2,543.42
IIFL Realty Limited	-	435.50	-	-	-	435.50
India Infoline Commodities Limited	-	465.00	-	-	-	465.00

India Infoline Insurance Brokers Limited	-	16.00	-	-	-	16.00
IIFL Capital Limited	-	1,069.50	-	-	-	1,069.50
India Alternative Investment Advisors Private Limited	-	40.00	-	-	-	40.00
Sale of Investment (Net)						
India Infoline Housing Finance Limited	-	-	1,009.78	-	-	1,009.78
IIFL Wealth Management Limited	-	1,941.21	-	-	-	1,941.21
Purchase of Investment (Net)						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	897.06	-	-	-	897.06
IIFL Wealth Management Limited	-	1,162.76	-	-	-	1,162.76
Allocation / Reimbursement of expenses paid						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	205.56	-	-	-	205.56
India Infoline Media and Research Services Limited	-	0.04	-	-	-	0.04
India Infoline Commodities Limited	-	0.18	-	-	-	0.18
Allocation / Reimbursement of expenses paid others						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	30.94	-	-	-	30.94
IIFL Holdings Limited (Formerly India Infoline Limited)	5.47	-	-	-	-	5.47
India Infoline Media and Research Services Limited	-	0.45	-	-	-	0.45
India Infoline Insurance services Limited	-	1.19	-	-	-	1.19
IIFL Wealth Management Limited	-	-	-	-	-	-
India Infoline Housing Finance Limited	-	-	1.02	-	-	1.02
India Infoline Insurance Brokers Limited	-	0.30	-	-	-	0.30
Allocation / Reimbursement of expenses received						
India Infoline Housing Finance Limited	-	-	26.87	-	-	26.87
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	73.27	-	-	-	73.27
India Infoline Insurance Brokers Limited	-	2.39	-	-	-	2.39
Allocation / Reimbursement of expenses received others						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	0.60	-	-	-	0.60
IIFL Holdings Limited (Formerly India Infoline Limited)	0.73	-	-	-	-	0.73
India Infoline Insurance Brokers Limited	-	0.12	-	-	-	0.12
India Infoline Media and Research Services Limited	-	1.38	-	-	-	1.38
Sale of Preference Shares						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	500.00	-	-	-	500.00
IIFL Holdings Limited (Formerly India Infoline Limited)	600.00	-	-	-	-	600.00
Capital Gains on Sale of Preference Shares						
India Infoline Limited (Formerly India Infoline Distribution Company Limited)	-	7.40	-	-	-	7.40
IIFL Holdings Limited (Formerly India Infoline Limited)	17.56	-	-	-	-	17.56
Allotment of Preference shares						
IIFL Holdings Limited (Formerly India Infoline	1,250.00	-	-	-	-	1,250.00

Limited)						
IIFL Wealth Management Limited	-	2,000.00	-	-	-	2,000.00
Capital Gain on Sale of Investment						
IIFL Wealth Management Limited	-	20.34	-	-	-	20.34
Sale of Portfolio (Assignment/Securitization)						
India Infoline Housing Finance Limited	-	-	834.76	-	-	834.76
Guarantee Commission						
India Infoline Media and Research Services Limited	-	0.15	-	-	-	0.15
India Infoline Insurance Brokers Limited	-	1.09	-	-	-	1.09
IIFL Realty Limited	-	2.38	-	-	-	2.38
Payable towards Assignment Transaction						
India Infoline Housing Finance Limited	-	-	145.99	-	-	145.99
Receipt towards Assignment Transaction						
India Infoline Housing Finance Limited	-	-	640.12	-	-	640.12
Receipt towards Other Transaction						
India Infoline Housing Finance Limited	-	-	21.62	-	-	21.62

Note: ICD Transactions are excluding intraday funding.

C) Closing balance: **(₹ in Millions)**

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies	Key Management Personnel	Total
Sundry payable						
IIFL Realty Limited	-	6.87	-	-	-	6.87
India Infoline Housing Finance Limited	-	-	58.34	-	-	58.34
India Infoline Commodities Limited	-	0.18	-	-	-	0.18
Collateral given (On behalf of)						
IIFL Realty Limited	-	1,680.00	-	-	-	1,680.00
IIFL Insurance Brokers Limited	-	200.00	-	-	-	200.00
India Infoline Media and Research Services Limited	-	130.00	-	-	-	130.00

Financial Year 2013-14:

A) Related parties where control exists:

Nature of relationship	Name of party
Holding Company	IIFL Holdings Limited (Formerly known as India Infoline Limited)
Direct Subsidiaries	India Infoline Housing Finance Limited
Fellow Subsidiaries	India Infoline Commodities Limited
	India Infoline Media & Research Services Limited
	IIFL Capital Limited
	India Infoline Limited (Formerly India Infoline Distribution Company Limited)
	India Infoline Insurance Services Limited
	India Infoline Insurance Brokers Limited
	IIFL Wealth Management Limited
	IIFL Realty Limited
	IIFL (Asia) Pte. Limited

Nature of relationship	Name of party
	IIFL Capital Ceylon Limited(*)
	IIFL Securities Ceylon (Pvt.) Limited(**)
	IIFL Private Wealth Hong Kong Limited
	IIFL Private Wealth (Mauritius) Limited
	IIFL Private Wealth Management (Dubai) Limited
	India Infoline Commodities DMCC
	IIFL Inc
	IIFL Wealth (UK) Limited
	IIFL Capital Inc
	IIFL Private Wealth (Suisse) SA
Group Companies	IIFL Distribution Services Private Limited
	IIFL Investment Advisor and Trustee Services Limited (Formerly known as IIFL Trustee Services Limited)
	IIFL Capital Pte. Limited
	IIFL Securities Pte Limited
	India Infoline Trustee Company Limited
	India Infoline Asset Management Company Limited
	IIFL Alternate Asset Advisors Limited
Key Management Personnel	Nirmal Jain
	R. Venkataraman
	Mukesh Kumar Singh
Other related parties:	Madhu Jain (Wife of Mr. Nirmal Jain)
	Aditi Venkataraman (Wife of Mr. R Venkataraman)
	India Infoline Foundation

***** IIFL Capital Ceylon Limited was related party up to 20th March 2014.
******IIFL Securities Ceylon (Pvt.) Limited was related party up to 30th December 2013.

B) Significant Transaction with Related Parties: **(₹ in Millions)**

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies	Key Management Personnel	Total
Interest Income						
India Infoline Limited	-	0.76	-	-	-	0.76
India Infoline Housing Finance Limited	-	-	82.50	-	-	82.50
IIFL Wealth Management Limited	-	50.90	-	-	-	50.90
IIFL Distribution Services Private Limited	-	-	-	1.30	-	1.30
Interest Expense						
India Infoline Limited	-	0.41	-	-	-	0.41
IIFL Wealth Management Limited	-	0.01	-	-	-	0.01
India Infoline Commodities Limited	-	0.84	-	-	-	0.84
Referral Fees Income						
IIFL Wealth Management Limited	-	69.57	-	-	-	69.57
Arranger/Management /Marketing Support / Processing fees / Advisory expenses						
India Infoline Limited	-	1.00	-	-	-	1.00
India Infoline Media and Research Services Limited	-	34.81	-	-	-	34.81
IIFL Wealth Management Limited	-	50.29	-	-	-	50.29
IIFL Realty Limited	-	11.85	-	-	-	11.85
Rent Expenses						
IIFL Realty Limited	-	8.19	-	-	-	8.19
Commission/ Brokerage Expense						
IIFL Wealth Management Limited	-	0.55	-	-	-	0.55
India Infoline Limited	-	0.20	-	-	-	0.20
Director's Remuneration						
Director's Remenuration	-	-	-	-	8.31	8.31
Sale/cancellation assigned Portfolio/Foreclosures/EMIs						
India Infoline Housing Finance Limited	-	-	979.82	-	-	979.82
Preference Dividend						
India Infoline Housing Finance Limited	-	-	40.61	-	-	40.61
Equity Dividend						
IIFL Holdings Limited (Formerly known as India Infoline Limited)	586.17	-	-	-	-	586.17
ICD Taken						
India Infoline Limited	-	1,200.00	-	-	-	1,200.00
India Infoline Commodities Limited	-	675.00	-	-	-	675.00
ICD Returned						
India Infoline Limited	-	1,200.00	-	-	-	1,200.00
India Infoline Commodities Limited	-	675.00	-	-	-	675.000
ICD Given						
India Infoline Limited	-	2,300.00	-	-	-	2,300.00
India Infoline Housing Finance Limited	-	-	4,007.00	-	-	4,007.00
IIFL Wealth Management Limited	-	1,631.00	-	-	-	1,631.00
IIFL Distribution Services Private	-	-	-	300.00	-	300.00

Nature of Transaction	Holding Company	Fellow Subsidiaries	Direct Subsidiaries	Group Companies	Key Management Personnel	Total
Limited						
ICD Received Back						
India Infoline Limited	-	2,300.00	-	-	-	2,300.00
India Infoline Housing Finance Limited	-	-	4,007.00	-	-	4,007.00
IIFL Wealth Management Limited	-	1,631.00	-	-	-	1,631.00
IIFL Distribution Services Private Limited	-	-	-	300.00	-	300.00
Advance Taken#						
India Infoline Limited	-	7.00	-	-	-	7.00
India Infoline Housing Finance Limited	-	-	50.00	-	-	50.00
India Infoline Commodities Limited	-	450.00	-	-	-	450.00
Advance Returned (#)						
India Infoline Limited	-	7.00	-	-	-	7.00
India Infoline Housing Finance Limited	-	-	50.00	-	-	50.00
India Infoline Commodities Limited	-	450.00	-	-	-	450.00
Advance Given (#)						
India Infoline Housing Finance Limited	-	-	80.00	-	-	80.00
Advance Received Back (#)						
India Infoline Housing Finance Limited	-	-	80.00	-	-	80.00
Purchase of Investment (Net)						
India Infoline Limited	-	1,389.50	-	-	-	1,389.50
Allocation / Reimbursement of expenses paid						
India Infoline Limited	-	347.82	-	-	-	347.82
Allocation / Reimbursement of expenses paid others						
India Infoline Limited	-	39.75	-	-	-	39.75
India Infoline Media and Research Services Limited	-	23.42	-	-	-	23.42
India Infoline Insurance services Limited	-	0.05	-	-	-	0.05
IIFL Wealth Management Limited	-	2.58	-	-	-	2.58
India Infoline Housing Finance Limited	-	-	17.90	-	-	17.90
India Infoline Asset Management Company Limited	-	-	-	0.01	-	0.01
Allocation / Reimbursement of expenses received						
India Infoline Housing Finance Limited	-	-	21.21	-	-	21.21
Allocation / Reimbursement of expenses received others						
IIFL Wealth Management Limited	-	0.14	-	-	-	0.14
India Infoline Limited	-	4.07	-	-	-	4.07
India Infoline Insurance Brokers Limited	-	0.02	-	-	-	0.02
IIFL Realty Limited	-	0.00	-	-	-	0.00

Note: ICD Transactions are excluding intraday funding.

#Represents maximum amount outstanding at any time during the year.

C) Balance outstanding at the end of the year: **(₹ in Millions)**

Nature of Transaction	Holdings Company	Fellow Subsidiaries	Group Companies	Key Management Personnel	Total
Sundry payable					
IIFL Realty Limited	-	2.88	-	-	2.88
Collateral given (On behalf of)					
IIFL Realty Limited	-	850.00	-	-	850.00
IIFL Insurance Brokers	-	200.00	-	-	200.00

40. Corporate Social Responsibility:

Financial Year 2017-18

During the financial year 2017-2018, the Company has spent ₹ 86.88 mn out of the total amount of ₹ 86.88 mn required to be spent as per section 135 of the Companies Act, 2013 in respect of Corporate Social Responsibility (CSR). The aforementioned amount has been contributed to India Infoline Foundation.

Financial Year 2016-17

During the financial year 2016-2017, the Company has spent ₹ 70.25 mn out of the total amount of ₹ 70.25 mn required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility (CSR). The Company was focused on implementing long term high impact projects approved by the CSR Committee. IIFL Group is committed to supporting development of the country by contributing to achieving the sustainable development goals and all its activities are directed towards this. Going forward these projects will be consolidated and scaled to achieve a larger and deeper impact. The key projects include eradicating the girl child illiteracy from the state of Rajasthan in 10 years, financial literacy and financial inclusion and preventive health camps.

Financial Year 2015-16

During the financial year 2015-2016, the Company has spent ₹ 59.52 mn out of the total amount of ₹ 59.52 mn required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility (CSR). The Company was focused on implementing the projects identified by the CSR Committee and had successfully completed most of the projects. The Company had substantially utilised the amount required to be spent on CSR projects. The Company has plans to further increase the spent in the years to come through its dedicated efforts.

Financial Year 2014-15

During the financial year 2014-2015, the Company could spend ₹ 13.70 mn out of the total amount of ₹ 44.36 mn required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility. The Company aims to undertake CSR projects through selection, implementation and monitoring in a strategic and systematic manner, to ensure sustainable long-term impact. To this end, during the financial year 2014-15 the Company focused on establishing the system and process to enable the same. In the years to come, the Company envisages to enhance the scope of its CSR projects and increase the quantum of CSR expenditure into greater number of impact-driven projects.

41. Disclosure as required under Annex XII- RBI Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016 as may be amended from time to time:

i. Capital Adequacy Ratio:

Particulars	As at March	As at March	As at March	As at March	As at March

	31, 2018	31, 2017	31, 2016	31, 2015	31, 2014
CRAR (%)	16.32%	20.71%	17.71%	18.02%	17.65%
CRAR - Tier I Capital (%)	14.97%	18.13%	11.66%	11.26%	12.74%
CRAR - Tier II Capital (%)	1.35%	2.59%	6.05%	6.76%	4.91%
Amount of subordinate debt raised as Tier- II capital (₹ Millions)	9,434.17	8,446.10	350.00	2,550.00	100.00
Amount raised by issue of perpetual debt instruments	-	-	-	-	-

ii. Disclosure of Investments:

(₹ in Millions)

Sr. No.	Particulars		As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
(1)	**Value of Investments**						
	(i)	**Gross value of Investments**	**31,411.24**	**28,997.72**	**11,190.25**	**13,812.76**	**11,106.34**
	(a)	In India	31,411.24	28,997.72	11,190.25	13,812.76	11,106.34
	(b)	Outside India	-	-	-	-	-
	(ii)	**Provision for Depreciation/ Diminution**	**(366.30)**	**(1.06)**	**(26.15)**	**(26.15)**	**(11.75)**
	(a)	In India	(366.30)	(1.06)	(26.15)	(26.15)	(11.75)
	(b)	Outside India	-	-	-		
	(iii)	**Net Value of Investments**	**31,044.94**	**28,996.66**	**11,164.10**	**13,786.62**	**11,094.59**
	(a)	In India	31,044.94	28,996.66	11,164.10	13,786.62	11,094.59
	(b)	Outside India	-	-	-		
(2)	**Movement of provisions held towards depreciation on Investments**						
	(i)	Opening Balance	1.06	26.15	26.15	11.75	-
	(ii)	Add: Provision made during the year	366.30	1.06	-	26.15	11.75
	(iii)	Less: Write -off / write-back of excess provisions during the year	1.06	26.15	-	11.75	-
	(iv)	Closing balance	**366.30**	**1.06**	**26.15**	**26.15**	**11.75**

iii. Derivatives:

A) Forward Rate Agreement / Interest Rate Swap:

(₹ in Millions)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
I	The Notional Principal of Swap Agreements	-	-	-	-	-
Ii	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-	-	-	-
Iii	Collateral required by the applicable NBFC upon entering into swaps	-	-	-	-	-
Iv	Concentration of credit risk arising from the swaps	-	-	-	-	-
V	The fair value of the swap book	-	-	-	-	-

B) Exchange traded Interest Rate (IR) derivatives:

(₹ in Millions)

Sr. No.	Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
I	Notional Principle Amount of Exchange traded IR derivatives undertaken during the year:					
	7.59% Government Security 2026	2,947.63	5,637.00	-	-	-
	6.97% Government Security 2026	1,521.05	696.80	-	-	-
	Total	**4,468.68**	**6,333.80**	**-**	**-**	**-**
Ii	Notional Principle Amount of Exchange traded IR derivatives outstanding:	-	-	-	-	-
	7.59% Government Security 2026	-	1,229.60	-	-	-
	6.97% Government Security 2026	-	496.60	-	-	-
	Total	**-**	**1,726.20**	**-**	**-**	**-**
Iii	Notional Principle Amount of Exchange traded IR Derivatives and not highly effective	N.A	N.A	N.A	N.A	N.A
Iv	Mark to Market Value of Exchange trade IR Derivative outstanding and not highly effective	N.A	N.A	N.A	N.A	N.A

C) Disclosures on Risk Exposure in Derivatives:

I) Qualitative Disclosure: (Financial year 2017-18, 2016-17, 2015-16, 2014-15, 2013-14)

a) Structure and organization for management of risk in derivatives trading:

The Board of Directors, the Asset Liability Management Committee (ALCO), the Risk Management Committee (RMC) and the Market Risk Management Department are entrusted with the management of risks in derivatives.

The philosophy and framework for the derivative business is laid out in the Board approved policies including limits. It also reviews the market risk exposures of derivatives against the limits. The Risk Management Committee reviews all risks on a consolidated basis and also reviews Stress Testing.

The monitoring and measurement of risk in derivatives is carried out by the Market Risk Management Department. The Market Risk Management Department is independent of the Treasury Front-Office & Back-Office and directly reports into the Group Chief Risk Officer.

b) Scope and nature of risk measurement, risk reporting and risk monitoring systems:

All significant risks of the derivative portfolio are monitored and measured daily. The Market Risk Management Department measures and reports Market Risk metrics like VaR, PV01, Option Greeks like Delta, Gamma, Vega, Theta, Rho etc. The Credit Risk from the derivatives portfolio is also measured daily.
The Market Risk Management Department monitors these exposures against the set limits and also reviews profitability on a daily basis. MIS is sent to relevant teams on a periodic basis. Exception reports are also sent so that emerging risks are reviewed and managed on a timely basis. Stress testing is also performed on the Derivative portfolio.

c) Policies for hedging and / or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges / mitigants:

The Board Approved 'Hedging Policy' details the hedging strategies, hedging processes, accounting treatment, documentation requirements and effectiveness testing for hedges.
Hedges are monitored for effectiveness periodically, in accordance with the Board Approved Policy.

d) Accounting policy for recording hedge and non-hedge transactions; recognition of income, premiums and discounts; valuation of outstanding contracts; provisioning, collateral and credit risk mitigation:

Initial and additional margin paid over and above initial margin for entering into contracts for Equity Index/Stock Futures/Currency Futures/Interest Rate Futures and/or Equity Index/Stock Options/ Currency Options as the case may be ("Derivatives Portfolio") which are released on final settlement/squaring-up of underlying contracts are disclosed under the head "Other Current Assets".
"Equity Index/Stock Option/Currency Option Premium Account" represents premium paid or received for buying or selling the Options, respectively.

On final settlement or squaring up of contracts for Derivatives Portfolio, the realized profit or loss after adjusting the unrealized loss already accounted, if any, is recognized in the Statement of Profit and Loss. On settlement or squaring up of Derivatives Portfolio before expiry, the premium, prevailing in "Equity Index/Stock Option/Currency Option Premium Account" on that date is recognized in the Statement of Profit and Loss.
As at the Balance Sheet date, the Mark to Market/Unrealised Profit/(Loss) on all outstanding Derivative portfolio comprising of Securities and Equity/Currency Derivatives positions is determined on scrip basis with net unrealized losses on scrip basis being recognized in the Statement of Profit and Loss and the net unrealized gains on scrip basis are ignored.

II) Quantitative Disclosure: **(₹ in Millions)**

		2017-2018		2016-2017		2015-2016		2014-2015		2013-2014	
Sr. No	Particulars	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
i	Derivatives (Notional Principle Amount - For Hedging			-	1,726.20	-	-	-	-	-	-
ii	Marked to Market Positions: a) Asset b) Liability			- -	- (2.50)	- -	- -	- -	- -	- -	- -
iii	Credit Exposure			-	-	-	-	-	-	-	-
iv	Unhedged Exposures			-	-	-	-	-	-	-	-

iv. Disclosures pertaining to securitisation transactions:

The Company sells loans through securitisation and direct assignment.

A) The information on securitisation of the Company as an originator in respect of securitisation transaction done during the year is given below:

(₹ in Millions)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Total number of loan assets under par structure	493,660	75,380	44,933	47,071	66,322
Total book value of loan assets	6,792.05	5,935.10	5,872.08	4,868.13	6,507.38
Sale consideration received	6,792.05	5,935.10	5,818.03	4,835.06	6,439.73

B) The information on securitisation of the Company as an originator in respect of outstanding amount of securitised assets is given below:

(₹ in Millions)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Number of SPVs sponsored by the Company for outstanding securitisation transactions	11	11	15	9	5
Total amount of securitised assets as per books of SPVs sponsored by Company	7,887.91	8,194.35	6,356.50	5,792.46	3,377.37
Total amount of exposures retained by the Company to comply with MRR as on the date of Balance Sheet	-	-	-		
a) Off - Balance sheet exposures					
First Loss	-	-	100.00	55.90	53.40
Others	-	-	-		
b) On - Balance sheet exposures					
First Loss	1,756.13	1,557.08	1,131.70	653.47	399.35
Investment in PTC	-	-	36.06	70.59	
Overcollaterization	-	-	87.13	33.07	11.16
Amount of exposures to securitisation transaction other than MRR					
a) Off - Balance sheet exposures					
i) Exposures to own securitization's					
First Loss	-	-			
Others	-	33.10	55.10	55.10	-
ii) Exposures to third party securitization's:					
First Loss	-	-	-		
Others	-	-	-		
b) On - Balance sheet exposures					
i) Exposures to own securitization's					
First Loss	-	-	-		
Others	80.10	115.50	186.52	106.42	50.57
ii) Exposures to third party securitization's:					

Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
First Loss	-	-	-		
Others	-	-	-		

C) The information on direct assignment of the Company as an originator in respect of par transaction done during the year is given below:

(₹ in Millions)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Total number of loan assets under par structure	-	-	1,046	1,372	394
Total book value of loan assets	-	-	4,719.18	8,149.93	2,263.75
Sale consideration received	-	-	4,247.26	7,398.86	2,026.18

D) The information on direct assignment of the Company as an originator in respect of outstanding amount of assets assigned under par structure is given below:

(₹ in Millions)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Number of transactions assigned by the Company	10	11	11	8	3
Total amount outstanding	2,865.17	5,094.06	9,478.18	8,961.76	2,980.94
Total amount of exposures retained by the company to comply with MRR as on the date of Balance Sheet	-	-	-		
a) Off - Balance sheet exposures					
First loss	-	-	-		
Others	-	-	-		
b) On - Balance sheet exposures			-		
First loss	-	210.01	292.60	292.60	292.6
Investment in PTC	-	-	-		
Exposures to own assigned transactions	296.86	509.89	905.64	835.20	217.10
Amount of exposures to assigned transaction other than MRR	-	-	-		
a) Off - Balance sheet exposures					
i) Exposures to own assigned transactions					
First loss	-	-	-	-	-
Others	-	-	-	-	-
ii) Exposures to third party assigned transactions					
First loss	-	-	-	-	-
Others	-	-	-	-	-
b) On - Balance sheet exposures					
i) Exposures to own assigned transactions					
First loss	-	-	-	-	-
Others	-	-	-	-	-
ii) Exposures to third party assigned transactions					
First loss	-	-	-	-	-
Others	-	-	-	-	-

E) Details of Financial Assets sold to Securitisation/ Reconstruction Company for Assets Reconstruction

(₹ in Millions)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Number of accounts	-	-	-	-	-
Aggregate value (net of provisions) of accounts sold to SC/RC	-	-	-	-	-
Aggregate consideration	-	-	-	-	-
Additional consideration realised in respect of accounts transferred in earlier years	-	-	-	-	-
Aggregate loss over net book value	-	-	-	-	-

The aforementioned disclosure excludes sale of Non Performing Assets given in F (ii) below.

F) Details of non – performing financial assets purchased/ sold:

i. Details of non-performing financial assets purchased:

(₹ in millions)

Sr. No.	Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
i	Number of accounts purchased during the year	-	-	-	-	-
ii	Aggregate outstanding	-	-	-	-	-
iii	Of these, number of accounts restructured during the year	-	-	-	-	-
iv	Aggregate outstanding	-	-	-	-	-

ii. Details of non-performing financial assets sold:

Sr. No.	Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
i	Number of accounts sold	59	-	-	-	-
ii	Aggregate outstanding (₹ millions)	271.35	-	-	-	-
iii	Aggregate consideration received (₹ millions)	74.30	-	-	-	-

v. Asset liability management maturity pattern:
As at March 31, 2018

(₹ in Millions)

Particulars	Upto 30/31 days	Over 1 month upto 2 month	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 year	Over 3 year & upto 5 year	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-

Particulars	Upto 30/31 days	Over 1 month upto 2 month	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 year	Over 3 year & upto 5 year	Over 5 years	Total
Advances	7,903.14	7,967.38	7,693.43	18,433.78	32,509.68	47,126.04	7,439.42	6,069.70	135,142.57
Investments	5,702.62	195.69	-	220.47	3,340.50	9,361.96	3,754.48	8,469.21	31,044.93
Borrowings	9,213.98	38,571.87	28,496.58	10,224.04	7,600.22	36,277.92	13,088.37	1,600.00	145,072.98
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

As at March 31, 2017 **(₹ in Millions)**

Particulars	Upto 30/31 days	Over 1 month upto 2 month	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 year	Over 3 year & upto 5 year	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	6,070.80	6,185.75	6,091.02	13,097.00	21,180.54	31,737.98	5,537.34	10,000.78	99,901.21
Investments	8,880.61	-	118.41	1,159.99	545.35	8,336.87	1,811.22	8,144.20	28,996.65
Borrowings	23,103.65	11,744.07	5,926.60	3,021.03	9,097.82	40,061.77	21,379.66	530.00	114,864.60
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

As at March 31, 2016 **(₹ in Millions)**

Particulars	Upto 30/31 days	Over 1 month upto 2 month	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 year	Over 3 year & upto 5 year	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	12,394.33	9,814.38	9,635.68	16,560.41	23,141.00	26,438.62	8,910.00	12,138.01	119,032.43
Investments	400.06	2.49	-	258.41	1,003.88	5,072.58	760.58	3,704.77	11,202.77
Borrowings	6,090.40	17,652.76	2,849.61	12,465.52	14,456.46	42,397.12	9,932.50	3,794.00	109,638.37
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

As at March 31, 2015 **(₹ in Millions)**

Particulars	Upto 30/31 days	Over 1 month upto 2 month	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 year	Over 3 year & upto 5 year	Over 5 years	Total

Deposits	-	-	-	-	-	-	-	-	-
Advances	14,787.74	13,629.12	13,910.50	22,518.03	18,752.49	19,205.72	5,863.35	10,417.94	119,084.90
Investments	2,922.45	1,133.41	3.41	1,635.82	1,449.73	5,027.29	59.50	1,555.00	13,786.61
Borrowings	2,904.34	22,323.41	3,271.96	4,032.56	9,565.61	55,182.93	18,492.8	8,902.02	124,675.64
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

As at March 31, 2014 **(₹ in Millions)**

Particulars	Upto 30/31 days	Over 1 month upto 2 month	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 year	Over 3 year & upto 5 year	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	15,611.07	10,200.17	10,146.70	18,837.95	9,142.87	15,030.07	5,028.16	14,759.78	98,756.77
Investments	1,761.97	-	108.60	596.50	3,538.81	2,186.22	247.50	2,655.00	11,094.60
Borrowings	15,454.77	9,375.33	4,650.27	6,985.77	7,279.56	34,393.62	17,326.40	530.00	95,995.72
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

In computing the above information, certain estimates, assumptions and adjustments have been made by the Management which have been relied upon by the auditors.

vi. Exposure to Real Estate Sector:

(₹ in millions)

Sr. No.	Category		March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
a)	**Direct Exposure**						
	(i)	**Residential Mortgages**					
		Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	34,457.47	29,343.15	13,972.88	34,893.50	18,733.94
	(ii)	**Commercial Real Estate**					
		Lending secured by mortgages on commercial real estate (office buildings, retail space, multi-purpose commercial premises, multi-family residential building, multi tenanted commercial premises. industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-fund based limits	6,119.89	7,950.94	21,231.46	8,449.96	17,709.35
	(iii)	**Investments in Mortgage back securities (MBS) and other securitised exposure**					
		a. Residential	-	-	-	-	-
		b. Commercial real estate	-	-	-	-	-
	Total Direct Exposure (A)		**40,577.36**	**37,294.09**	**35,204.34**	**43,343.46**	**36,443.29**
b)	Indirect Exposure (B)		10,942.36	8,799.03	390.19	210.95	265.50
Total Exposure to Real Estate Sector (A+B)			**51,519.72**	**46,093.12**	**35,594.53**	**43,554.41**	**36,708.79**

Note: Exposure includes amount outstanding including principal and interest overdue.

vii. Exposure to Capital Market:

(₹ in Millions)

Sr. No.	Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
(i)	Direct investment in equity shares, convertibles bonds, convertible debentures and unit of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	205.00	205.00	205.00	155.00	-
(ii)	Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investments in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and unit of equity-oriented mutual funds;	7,059.33	6,727.04	19,455.44	19,382.56	6,410.00
(iii)	Advances for any other purpose where shares or convertible bonds or convertibles debentures or units of equity-oriented mutual funds are taken as primary security;	3,727.52	4,408.35	6,524.05	5,205.24	2,997.33
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or unit of equity-oriented mutual funds i.e. where the primary security other than shares/ convertible bonds / convertible debentures / units of equity-oriented mutual funds does not fully cover the advances;	-	-	-		
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbroker and market makers;	-	-	-		
(vi)	Loan sanctioned to corporate against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-	-		
(vii)	Bridge loans to companies against expected equity flows/issues;	-	-	-		
(viii)	All exposures to Venture Capital Funds (both registered and unregistered) (Includes Alternative Investment Funds and InVit Fund)	1971.55	4402.85	1518.55	1,792.20	54.80
Total Exposure to Capital Market		**12,963.40**	**15,743.24**	**27,703.04**	**26,535.00**	**9,462.13**

Note: (a) Exposure includes amount outstanding including principal and interest overdue.
(b) The above excludes direct equity investment in own Subsidiary Companies.

viii. Details of penalties imposed by RBI or other regulators:

a. No penalty has been imposed for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 by RBI or other regulators.

b. No adverse comment have been received in writing from RBI or any other regulator for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

ix. Details of Credit Ratings:

Financial Year 2017-18 and 2016-17:

Ratings assigned by Credit Rating agencies: **(₹ in Millions)**

Rating Agency	Product	March 31, 2018		March 31, 2017	
		Amount	Rating assigned	Amount	Rating assigned
CARE Ratings	Non Convertible Debenture	27,000	CARE AA; Positive [Double A; Outlook: Positive]	27,000	CARE AA; Stable [Double A; Outlook: Stable]
CARE Ratings	Long Term Bank Facilities	20,000	CARE AA; Positive [Double A; Outlook: Positive]	20,000	CARE AA; Stable [Double A; Outlook: Stable]
CARE Ratings	Preference Shares	500	CARE AA(RPS); Positive [Double A (RPS); Outlook: Positive]	500	CARE AA; Stable [Double A; Outlook: Stable]
CARE Ratings	Subordinate Debt	2,000	CARE AA; Positive [Double A; Outlook: Positive]	-	-
ICRA Limited	Long Term Bank Lines	57,750	[ICRA]AA (Stable)	57,750	[ICRA]AA (Stable)
ICRA Limited	Long term Debt Programme	25,100	[ICRA]AA (Stable)	25,100	[ICRA]AA (Stable)
ICRA Limited	Secured NCD Programme	20,000	[ICRA]AA (Stable)	20,000	[ICRA]AA (Stable)
ICRA Limited	Long Term Principle Protected Equity Linked Debenture Programme	6,000	PP-MLD[ICRA]AA (Stable)	6,000	PP-MLD[ICRA]AA (Stable)
ICRA Limited	Subordinate Debt Programme	10,000	[ICRA]AA (Stable)	10,000	[ICRA]AA (Stable)
ICRA Limited	Un-secured NCD Programme	5,000	[ICRA]AA (Stable)	5,000	[ICRA]AA (Stable)
ICRA Limited	Commercial Paper programme	90,000	[ICRA]A1+	70,000*	[ICRA]A1+
ICRA Limited	Commercial Paper programme (IPO financing)^	50,000	[ICRA]A1+	1,20,000 **	[ICRA]A1+
CRISIL Limited	Subordinate Debt	10,000	CRISIL AA (Rating Watch with Developing Implications)	10,000	CRISIL AA (Stable)
CRISIL Limited	Commercial Paper programme (IPO financing)^^	60,000	CRISIL A1+	-	-
CRISIL Limited	Commercial Paper	90,000	CRISIL A1+	-	-
Brickwork Ratings	Secured NCD	10,500	BWR AA+ (Stable)	10,500	BWR AA+ (Stable)
Brickwork Ratings	Secured NCD	500	BWR AA+ (Stable)	500	BWR AA+ (Stable)
Brickwork Ratings	Bank Term Loan Facilities	1,000	BWR AA+ (Stable)	1,000	BWR AA+ (Stable)
Brickwork Ratings	Unsecured Subordinated NCD	750	BWR AA+ (Stable)	750	BWR AA+ (Stable)

^Rating for IPO financing is valid for a period of 30 days from March 13, 2018.

^^Rating for IPO financing is valid for a period of 1 month from March 16, 2018.

*` 20 mn was enhanced during the FY 2016-17

**Rating for IPO financing is valid for a period of 30 days from 3rd March 2017 to 3rd April 2017.

A) Details of migration of credit ratings during the year: **(₹ in Millions)**

Rating Agency	Product	March 31, 2018			March 31, 2017		
		Amount	Current Rating	Previous Rating	Amount	Current Rating	Previous Rating
CARE Ratings	Non Convertible Debenture	27,000	CARE AA; Positive [Double A; Outlook: Positive]	CARE AA; Stable [Double A; Outlook: Stable]	-	-	-
CARE Ratings	Long Term Bank Facilities	20,000	CARE AA; Positive [Double A; Outlook: Positive]	CARE AA; Stable [Double A; Outlook: Stable]	-	-	-
CARE Ratings	Preference Shares	500	CARE AA(RPS); Positive [Double A (RPS); Outlook: Positive]	CARE AA; Stable [Double A; Outlook: Stable]	-	-	-
CARE Ratings	Subordinate Debt	2,000	CARE AA; Positive [Double A; Outlook: Positive]	CARE AA; Stable [Double A; Outlook: Stable]	-	-	-
CRISIL Limited	Subordinate Debt	-	-	-	10,000	CRISIL AA (Stable)	CRISIL AA- (Stable)

Financial Year 2015-16

A) Ratings assigned by Credit Rating Agencies: **(₹ in Millions)**

Rating Agency	Product	Amount	Rating Assigned
CARE	Long Term Bank Facilitiies	30,950	CARE AA (Double A)
CARE	Non Convertible Debenture Issue	45,500	CARE AA (Double A)
CARE	Subordinated Debt	5,000	CARE AA (Double A)
CARE	Redeemable Preference Shares	2,000	CARE AA (RPS) (Double A) Redeemable Preference Shares
CARE	Perpetual Debt	3,000	CARE AA- (Double A Minus)
ICRA	Subordinated Debt	10,000	[ICRA] AA (Stable)
ICRA	Long Term Bank Facilitiies	57,750	[ICRA] AA (Stable)
ICRA	Long Term Debt Programme	25,100	[ICRA] AA (Stable)
ICRA	Secured NCD Programme	20,000	[ICRA] AA (Stable)
ICRA	Unsecured NCD Programme	5,000	[ICRA] AA (Stable)
ICRA	Long Term Principal Protected Equity Linked Programme*	6,000	PP-MLD [ICRA] AA (Stable)
ICRA	Short Term Debt Programme	50,000	[ICRA] A1+
CRISIL	Subordinated Debt	10,000	CRISIL AA-/Stable
Brickwork	Secured NCD	10,500	BWR AA+ (Stable)
Brickwork	Secured NCD	500	BWR AA+ (Stable)
Brickwork	Subordinated NCD*	750	BWR AA+ (Stable)
Brickwork	Fund Based Term Loans*	1,000	BWR AA+ (Stable)

B) Details of migration of credit ratings during the year: **(₹ in Millions)**

Rating Agency	Product	Amount	Current Rating	Previous Rating
Brickwork	Proposed Bank loan Facilities*	1,000	BWR AA+ (Stable)	BWR AA (Stable)
Brickwork	Subordinate Long Term NCD*	750	BWR AA+ (Stable)	BWR AA (Stable)
Brickwork	Secured NCD	10,500	BWR AA+ (Stable)	BWR AA (Stable)
Brickwork	Secured NCD	500	BWR AA+ (Stable)	BWR AA (Stable)

*Rs 3,750 mn was enhanced during the current year

Financial Year 2014-15

A) Ratings assigned by Credit Rating Agencies: **(₹ in Millions)**

Rating Agency	Product	Amount	Rating Assigned
CARE	Non Convertible Debenture I	7,500.00	CARE AA [Double A]
CARE	Long Term Bank Facilities	30,950.00	CARE AA [Double A]
CARE	Perpetual debt	3,000.00	CARE AA- [Double A Minus]
CARE	Compulsorily Redeemable Non Convertible Cumulative Preference Shares	2,000.00	CARE AA (RPS) [Double A (Redeemable Preference Shares)]
CARE	Non Convertible Debenture III	6,000.00	CARE AA [Double A]
CARE	Subordinated debt	5,000.00	CARE AA [Double A]
CARE	Non Convertible Debenture IV	20,000.00	CARE AA [Double A]
CARE	Non Convertible Debenture II	12,000.00	CARE AA [Double A]
ICRA	Long term debt programme	25,100.00	[ICRA]AA (Stable)

Rating Agency	Product	Amount	Rating Assigned
ICRA	Long term bank lines	57,750.00	[ICRA]AA (Stable)
ICRA	Long term principle protected equity linked debenture	4,000.00	PP-MLD[ICRA]AA (Stable)
ICRA	Subordinate debt programme	10,000.00	[ICRA]AA (Stable)
ICRA	Short term debt programme	50,000.00	[ICRA]A1
ICRA	Secured NCD programme	20,000.00	[ICRA]AA (Stable)
ICRA	Un-secured NCD programme	5,000.00	[ICRA]AA (Stable)
CRISIL	Short-Term debt programme	20,000.00	CRISIL A1+
CRISIL	Non Convertible Debentures	3,000.00	CRISIL AA- (Stable)
CRISIL	Bank loan Facilities	20,150.00	CRISIL AA-(Stable)
CRISIL	Subordinate debt programme	5,000.00	CRISIL AA-(Stable)
CRISIL	Subordinate debt programme	5,000.00	CRISIL AA-(Stable)
Brickwork	Secured NCD	10,500.00	BWR AA (Stable)
Brickwork	Unsecured NCD	500.00	BWR AA (Stable)

B) Details of migration of credit ratings during the year: **(₹ in Millions)**

Rating Agency	Product	Amount	Current Rating	Previous Rating
ICRA	Long term debt programme	25,100.00	[ICRA]AA (Stable)	[ICRA]AA- (Stable)
ICRA	Long term bank lines	57,750.00*	[ICRA]AA (Stable)	[ICRA]AA- (Stable)
ICRA	Long term principle protected Equity Linked Debenture	4,000.00	PP-MLD[ICRA]AA (Stable)	PP-MLD[ICRA]AA- (Stable)
ICRA	Subordinate debt programme	10,000.00	[ICRA]AA (Stable)	[ICRA]AA- (Stable)

*₹ 37,250.00 mn was enhanced during the current year post June 14.
Note: Details for above schedule are not provided for financial year 2013-14 as the same was not reported.

x. No registration has been obtained from other financial regulators for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

xi. Considering the nature of the business of the entity and transactions entered during the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 following are having Nil disclosure:

a. Draw down from reserves.
b. Overseas assets (for those with joint ventures and subsidiaries abroad).
c. Off- Balance Sheet SPVs sponsored.
d. Financing of parent company products.
e. Postponement of revenue recognition.

xii. The Company during the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 has not exceeded single borrower limit (SGL)/ group borrower limit (GBL) while performing its lending operations.

xiii. Remuneration paid to Non Executive Directors: **(₹ in Millions)**

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Ms. Geeta Mathur	1.46	1.79	0.81	-	-
Mr. Nilesh Vikamsey	0.12	-	0.20	0.52	0.30
Ms. Shubhalakshmi Panse	0.96	-	-	-	-
Mr. V.K Chopra	2.11	2.47	2.19	1.54	0.28
Mr. M.N. Singh	-	-	-	1.18	0.16
Total	**4.65**	**4.26**	**3.20**	**3.24**	**0.74**

xiv. Details of Provisions and Contingencies:

(₹ in Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Provision for depreciation on Investment	366.30	(25.09)	-	14.39	11.75
Provision towards non performing advances	(130.17)	683.80	456.44	416.45	243.81
Other Provision and Contingencies:					
Bad debts written off/(back)	2,167.44	609.55	412.64	87.87	32.43
Provision for contingencies	(15.41)	144.63	1.72	209.56	43.42
Contingent Provision against Standard assets	163.39	-	10.00	199.75	43.50
Total	**2,551.55**	**1,412.89**	**880.80**	**928.02**	**3,74.91**
Provision made towards Income Tax	**2,053.10**	**1,970.48**	**1,561.20**	**1,532.06**	**1,051.74**

xv. Details of concentration of advances, exposures & NPA:

a) Concentration of Advances:

(₹ in Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015
Total advances to twenty largest borrowers	26,099.02	20,414.76	23,609.08	25,032.82
Percentage of advances to twenty largest borrowers to total advances	17.22%	18.65%	18.91%	19.72%

b) Concentration of Exposures:

(₹ in Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015
Total exposure to twenty largest borrowers / customers	26,443.76	20,470.43	23,655.38	25,467.92
Percentage of exposure to twenty largest borrowers / customers to total exposure	17.25%	18.50%	18.89%	19.93%

Note: Exposure includes amount outstanding including principal and interest overdue.

c) Concentration of NPAs:

(In ₹ Millions)

Particulars	2017-2018	2016-2017	2015-2016	2014-2015
Total exposure to top four NPA accounts	1,475.81	540.00	654.58	537.86

d) Details of sectorwise NPA:

Sr. No.	Sector	% of NPAs to total advances in that sector			
		As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
1	Agriculture & allied activities	8.18%	7.96%	3.02%	1.44%
2	MSME	1.20%	4.72%	0.00%	0.78%
3	Corporate borrowers	2.97%	3.17%	1.94%	0.56%
4	Services	4.14%	3.93%	1.90%	2.05%
5	Unsecured personal loans	0.92%	-	0.00%	0.00%
6	Auto Loans	-	-	0.00%	0.00%

Sr. No.	Sector	% of NPAs to total advances in that sector			
7	Other loans*	1.70%	1.79%	1.62%	1.22%

*Other loans include all loans that cannot be classified under any of the other sectors.

Note: Sectorwise NPA have been determined by the Management and relied upon by the auditors.

Details of concentration of advances, exposures and NPA for the year ended March 31, 2014 in the above schedules are not provided as the same was not required to be reported.

xvi. Movement of NPAs:

(₹ in Millions)

Sr. No.	Particulars		March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
(i)	**Net NPAs to Net Advances (%)**		1.24%	0.81%	0.64%	0.57%	0.31%
(ii)	**Movement of NPAs (Gross)**						
	(a)	Opening balance	2,987.34	2,216.11	1,686.56	855.77	449.88
	(b)	Addition during the year	3,074.69	2,651.26	1,198.94	1,250.21	612.87
	(c)	Reduction during the year	2,218.32	1,880.03	669.39	419.42	206.98
	(d)	Closing balance	3,843.71	2,987.34	2,216.11	1,686.56	855.77
(iii)	**Movement of Net NPAs**						
	(a)	Opening balance	887.34	799.91	726.82	312.46	150.39
	(b)	Addition during the year	2,452.78	1,488.17	563.05	577.09	224.83
	(c)	Reduction during the year	1,466.25	1,400.74	489.96	162.73	62.76
	(d)	Closing balance	1,873.87	887.34	799.91	726.82	312.46
(iv)	**Movement of provision for NPAs (excluding provision on standard assets)**						
	(a)	Opening balance	2,100.00	1,416.19	959.75	543.31	299.49
	(b)	Provision made during the year	621.91	1,163.10	635.86	673.15	388.04
	(c)	Write off / write-back of excess provisions	752.08	479.29	179.42	256.69	144.22
	(d)	Closing balance	1,969.83	2,100.00	1,416.19	959.75	543.31

xvii. Disclosure of Complaints:

Sr. No.	Particulars	2017-2018	2016-2017	2015-2016	2014-2015
I	Number of complaints pending at the beginning of year	-	-	-	-
Ii	Number of complaints received during the year	289	180	175	618
Iii	Number of complaints redressed during the year	289	180	175	618
Iv	Number of complaints pending at the end of the year	-	-	-	-

Note: Details for the year ended March 31, 2014 in the above schedules are not provided as the same was not required to be reported.

The details of the complaints have been compiled by the management and relied upon by the auditors.

xviii. The company during year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 has not exceeded single borrower limit (SGL) group borrower limit(GBL) while performing lending operations.

xix. Disclosure of restructured accounts:

Financial year 2017-18

(₹ in Millions)

Sr. No	Type of Restructuring / Asset Classification / Details		Under CDR Mechanism / SME Debt Restructuring Mechanism					Others					Total
			Stan-dard	Sub-Stan-dard	Doubtful	Loss	Total	Stan-dard	Sub-Stan-dard	Doubtful	Loss	Total	
1	Restructured Accounts as on April 1 of the FY 2017 (opening figures)*	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-
		Amount	-	-	-	-	-	-	-	-	-	-	-

Sr. No	Type of Restructuring / Asset Classification / Details		Under CDR Mechanism / SME Debt Restructuring Mechanism					Others					Total
			Stan-dard	Sub-Stan-dard	Doubtful	Loss	Total	Stan-dard	Sub-Stan-dard	Doubtful	Loss	Total	
		outstanding											
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-
2	Fresh restructuring during the year 2018	No. of borrowers	-	-	-	-	-	-	7	-	-	7	7
		Amount outstanding	-	-	-	-	-	-	3.52	-	-	3.52	3.52
		Provision thereon	-	-	-	-	-	-	0.36	-	-	0.36	0.36
3	Upgradations to restructured standard category during the FY 2018	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY 2017 and hence need not be shown as restructured standard advances at the beginning of the next FY 2018	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY 2018	No. of borrowers	-	-	-	-	-	-	(1)	1	-	-	-
		Amount outstanding	-	-	-	-	-	-	(0.09)	0.09	-	-	-
		Provision thereon	-	-	-	-	-	-	(0.02)	0.02	-	-	-
6	Write-offs of restructured accounts during the FY 2018	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts as on March 31 of the FY 2018	No. of borrowers	-	-	-	-	-	-	6	1	-	7	7
		Amount outstanding	-	-	-	-	-	-	3.42	0.08	-	3.50	3.50
		Provision thereon including provision for diminution in fair value	-	-	-	-	-	-	0.36	0.02	-	0.38	0.38

REFORMATTED SUMMARY STANDALONE FINANCIAL STATEMENTS OF INDIA INFOLINE FINANCE LIMITED

Notes forming part of Reformatted Summary Standalone Financial Statements as at and for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

Financial year 2016-17 **(₹ in Millions)**

Sr. No	Type of Restructuring / Asset Classification / Details		Under CDR Mechanism / SME Debt Restructuring Mechanism					Others					Total
			Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Total
1	Restructured Accounts as on April 1 of the FY 2016 (opening figures)*	No. of borrowers	-	-	-	-	-	-	3	-	-	3	3
		Amount outstanding	-	-	-	-	-	-	12.88	-	-	12.88	12.88
		Provision thereon	-	-	-	-	-	-	1.29	-	-	1.29	1.29
2	Fresh restructuring during the year 2017	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standard category during the FY 2017	No. of borrowers	-	-	-	-	-	3	(3)	-	-	-	-
		Amount outstanding	-	-	-	-	-	12.27	(12.27)	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY 2016 and hence need not be shown as restructured standard advances at the beginning of the next FY 2017	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY 2017	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the FY 2017	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts as on March 31 of the FY 2017(closing figures*)	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon including provision for	-	-	-	-	-	-	-	-	-	-	-

Sr. No	Type of Restructuring		Under CDR Mechanism / SME Debt Restructuring Mechanism					Others					Total
	Asset Classification / Details		Stan-dard	Sub-Stan-dard	Doubtful	Loss	Total	Stan-dard	Sub-Stan-dard	Doubtful	Loss	Total	Total
		diminution in fair value											

Financial year 2015-16

Sr. No	Type of Restructuring		Under CDR Mechanism / SME Debt Restructuring Mechanism					Others					Total
	Asset Classification / Details		Stan-dard	Sub-Stan-dard	Doubtful	Loss	Total	Stan-dard	Sub-Stan-dard	Doubtful	Loss	Total	
1	Restructured Accounts as on April 1 of the FY 2015 (opening figures)*	No. of borrower	-	-	-	-	-	-	4	8	-	12	12
		Amount outstanding	-	-	-	-	-	-	57.91	47.42	-	105.33	105.33
		Provision thereon	-	-	-	-	-	-	11.09	26.54	-	37.63	37.63
2	Fresh restructuring during the year 2016	No. of borrower	-	-	-	-	-	-	3	-	-	3	3
		Amount outstanding	-	-	-	-	-	-	12.88	-	-	12.88	12.88
		Provision thereon	-	-	-	-	-	-	1.29	-	-	1.29	1.29
3	Upgradations to restructured standard category during the FY 2016	No. of borrower	-	-	-	-	-	3	-	-	-	3	3
		Amount outstanding	-	-	-	-	-	48.90	-	-	-	48.90	48.90
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY 2015 and hence need not be shown as restructured standard advances at the	No. of borrower	-	-	-	-	-	-	1	-	-	1	1
		Amount outstanding	-	-	-	-	-	-	4.17	-	-	4.17	4.17
		Provision thereon	-	-	-	-	-	-	0.42	-	-	0.42	0.42

Sr. No	Type of Restructuring / Asset Classification / Details		Under CDR Mechanism / SME Debt Restructuring Mechanism: Standard	Sub-Standard	Doubtful	Loss	Total	Others: Standard	Sub-Standard	Doubtful	Loss	Total	Total
	beginning of the next FY 2016												
5	Downgradations of restructured accounts during the FY 2016	No. of borrower	-	-	-	-	-	-	-	4	-	4	4
		Amount outstanding	-	-	-	-	-	-	-	22.16	-	22.16	22.16
		Provision thereon	-	-	-	-	-	-	-	14.40	-	14.40	14.40
6	Write-offs of restructured accounts during the FY 2016	No. of borrower	-	-	-	-	-	-	-	4	-	4	4
		Amount outstanding	-	-	-	-	-	-	-	25.26	-	25.26	25.26
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts as on March 31 of the FY 2016(closing figures*)	No. of borrower	-	-	-	-	-	-	3	-	-	3	3
		Amount outstanding	-	-	-	-	-	-	12.88	-	-	12.88	12.88
		Provision thereon including provision for diminution in fair value	-	-	-	-	-	-	1.29	-	-	1.29	1.29

Financial year 2014-15

(₹ in Millions)

Sr. No	Type of Restructuring / Asset Classification / Details		Under CDR Mechanism / SME Debt Restructuring Mechanism: Standard	Sub-Standard	Doub-tful	Loss	Total	Others: Standard	Sub-Standard	Doubtful	Loss	Total	Total
1	Restructured Accounts as on April 1 of the FY 2015 (opening figures)*	No. of Borrower	-	-	-	-	-	-	4	7	-	11	11
		Amount Outstanding	-	-	-	-	-	-	29.26	42.98	-	72.24	72.24
		Provision Thereon	-	-	-	-	-	-	2.92	20.97	-	23.89	23.89
2	Fresh restructuring during the year 2015	No. of Borrower	-	-	-	-	-	-	4	-	-	4	4
		Amount Outstanding	-	-	-	-	-	-	57.91	-	-	57.91	57.91
		Provision Thereon	-	-	-	-	-	-	5.79	-	-	5.79	5.79
3	Upgradations to restructured standard category	No. of Borrower	-	-	-	-	-	1	-	-	-	1	1
		Amount Outstanding	-	-	-	-	-	8.24	-	-	-	8.24	8.24
		Provision	-	-	-	-	-	-	-	-	-	-	-

Sr. No	Type of Restructuring / Asset Classification / Details		Under CDR Mechanism / SME Debt Restructuring Mechanism					Others					Total
			Stan-dard	Sub-Stan-dard	Doub-tful	Loss	Total	Stan-dard	Sub-Stan-dard	Doubtful	Loss	Total	
	during the FY 2015	Thereon											
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY 2015 and hence need not be shown as restructured standard advances at the beginning of the next FY 2016	No. of borrower	-	-	-	-	-	-	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-
		Provision Thereon	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY 2015	No. of Borrower	-	-	-	-	-	-	-	5	-	5	5
		Amount Outstanding	-	-	-	-	-	-	-	23.19	-	23.19	23.19
		Provision Thereon	-	-	-	-	-	-	-	9.58	-	9.58	9.58
6	Write-offs of restructured accounts during the FY 2015	No. of Borrower	-	-	-	-	-	-	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-	-	-	-	-	-	-
		Provision Thereon	-	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts as on March 31 of the FY 2015(closing figures*)	No. of Borrower	-	-	-	-	-	-	4	8	-	12	12
		Amount Outstanding	-	-	-	-	-	-	57.91	47.42	-	105.33	105.33
		Provision thereon including provision for diminution in fair value	-	-	-	-	-	-	11.09	26.54	-	37.63	37.63

Note: Details for the year ended March 31, 2014 in the above schedules are not provided as the same was not reported.

xx. Asset classification: **(₹ in Millions)**

Particulars	As at March 31,2018	As at March 31,2017	As at March 31,2016	As at March 31,2015	As at March 31,2014

Standard Assets					
Outstanding Balance	149,464.57	107,643.78	124,167.57	128,908.39	101,209.97
Provision	626.97	463.58	463.58	453.58	253.82
Sub-Standard Assets					
Outstanding Balance	2,916.85	1,547.22	1,346.63	1,365.46	726.31
Provision	1,148.21	1,423.57	1,062.50	767.60	424.11
Doubtful Assets					
Outstanding Balance	926.86	1,440.13	808.44	280.47	107.28
Provision	821.62	676.43	292.66	151.57	97.02
Loss Assets					
Outstanding Balance	-	-	61.04	40.64	22.18
Provision	-	-	61.04	40.58	22.18

Note:

Financial Year 2017-18

a) In terms of RBI circular a general provision of ₹ 626.97 mn has been made at 0.40% of the standard assets under the head 'Contingent provision against Standard Loans' in Note 9. Standard Assets include interest overdue of ₹ 1,717.75 mn.

b) Asset classification is as per Reserve Bank of India guidelines and provision is as per Company's internal policy which is higher than the minimum required as per prudential norms.

c) Above assets include investment in Real estate NCD's.

Financial Year 2016-17

In terms of RBI circular a general provision of ₹ 463.58 mn has been made at 0.35% of the standard assets under the head 'Contingent provision against Standard Loans' in Note 9.

Financial Year 2015-16

In terms of RBI circular a general provision of ₹ 463.58 mn has been made at 0.30% of the standard assets under the head 'Contingent provision against Standard Loans' in Note 9.

Financial Year 2014-15

In terms of RBI circular a general provision of ₹ 453.58 mn has been made at 0.25% of the standard assets under the head 'Contingent provision against Standard Loans' in Note 9.

Financial Year 2013-14

a) In terms of RBI circular a general provision of ₹ 253.82 mn has been made at 0.25% of the standard assets under the head 'Contingent provision against Standard Loans' in Note 9.

b) Provision is created after considering credit for securities available against the loans.

xxi. Particulars as per RBI Directions as required in terms of paragraph 18 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016:

1. Loans and advances availed by the NBFCs inclusive of interest accrued there on but not paid:

(₹ in Millions)

Particulars	As at March 31,2018		As at March 31,2017		As at March 31,2016		As at March 31,2015		As at March 31,2014	
	Amount outstanding	Amt over due	Amount outstanding	Amt over due	Amount outstanding	Amt over due	Amount outstanding	Amt over due	Amount outstanding	Amt over due
Liabilities Side:										
(a) Debentures:										
Secured	28,040.70	-	33,804.27	-	27,196.17	-	28,609.50	-	17,932.10	-
Unsecured (Other than falling within the meaning of public deposits)	10,183.22	-	9,069.63	-	9720.91	-	9,955.24	-	7,208.20	-

Particulars	As at March 31,2018		As at March 31,2017		As at March 31,2016		As at March 31,2015		As at March 31,2014	
	Amount outstanding	Amt over due	Amount outstanding	Amt over due	Amount outstanding	Amt over due	Amount outstanding	Amt over due	Amount outstanding	Amt over due
(b)Deferred credits	-	-	-	-	-	-	-	-	-	-
(c)Term loans	29,639.37	-	30,405.29	-	48,677.15	-	58,164.97	-	45,722.10	-
(d)Inter–corporate loans and borrowings	-	-		-	-	-		-	50.00	-
(e)Commercial Paper	66,117.41	-	29,356.51	-	19,923.68	-	25,101.85	-	23,310.00	-
(f)Other Loans(Overdraft)	16,400.26	-	16,049.45	-	4,120.47	-	5,168.72	-	3,777.50	-
Total	**150,380.96**		**118,685.15**	-	**109,638.38**		**127,000.28**	-	**97,999.90**	-

2. Break – up of Loans and Advances including Bills Receivables [Other than included in (4) below]:

(₹ in Millions)

Particulars	As at March 31,2018	As at March 31,2017	As at March 31,2016	As at March 31,2015	As at March 31,2014
Assets Side (Gross Value)					
(a) Secured	117,282.91	98,531.22	118,065.20	119,067.50	92,859.60
(b) Unsecured	19,829.48	3,470.00	261.92	-	-
Total	**137,112.39**	**102,001.22**	**118,327.12**	**119,067.50**	**92,859.60**

3. Break- up of leased assets and stock on hire and other assets counting towards AFC activities:

(₹ in Millions)

Particulars	As at March 31,2018	As at March 31,2017	As at March 31,2016	As at March 31,2015	As at March 31,2014
(i) Lease assets including lease rentals under sundry debtors					
(a) Financial lease	-	-	-	-	-
(b) Operating lease	-	-	-	-	-
(ii) Stock on hire including hire charges under sundry debtors			-	-	-
(a) Assets on hire	-	-	-	-	-
(b) Repossessed Assets	-	-	-	-	-
(iii) Other Loans counting towards AFC activities					
(a) Loans where assets have been repossessed	-	-	-	-	-
(b) Loans other than (a) above	-	-	-	-	-

4. Break–up of Investments (Net of Provisions):

(₹ in Millions)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Current Investments :					
1 Quoted :					
(i) Shares:					
(a) Equity	-	-	-	-	-
(b) Preference	-	-	-	-	-
(ii) Debentures and Bonds	899.28	981.15	109.58	98.39	197.33
(iii) Units of mutual funds	-	-	-	-	-
(iv) Government Securities	-	-	-	-	-
(v) Others (Certificate of Deposits)					
IRB InvIT	1,567.02	-	-	-	-
2 Unquoted:					
(i) Shares:					
(a) Equity	-	-	-	-	-
(b) Preference	-	-	-	-	28.20
(ii) Debentures and Bonds	574.86	728.76	983.15	1,758.39	3,191.93
(iii) Units of mutual funds	50.00	2.14	1,467.71	2,991.16	1,327.45
(iv) Government Securities	5,702.62	8,620.94	-	1,479.90	438.75
(v) Others (please specify)	-	-	-		
Alternative Investment Funds	62.46	8.58	641.93	816.98	85.56
Total (A)	**8,856.24**	**10,341.57**	**3,202.37**	**7,144.82**	**5,269.22**
Long Term Investments :					
1 Quoted:					
(i) Shares:					
(a) Equity	-	-	-	-	-
(b) Preference	-	-	-	-	-
(ii) Debentures and Bonds	-	-	-	-	-
(iii) Units of mutual funds	-	-	-	-	-
(iv) Government Securities	-	-	-	-	-
(v) Others (please specify)	-	-	-	-	-
2 Unquoted:					
(i) Shares:					
(a) Equity of subsidiary companies	8,469.21	7,969.06	3,404.77	1,005.00	1,005.00
(b) Preference of subsidiary companies	-	-	300.00	550.00	1,650.00
(ii) Debentures and Bonds	11,113.34	5,583.77	4,051.96	4,931.79	3,170.38
(iii) Units of mutual funds	-	50.00	50.00	-	-
(iv) Government Securities	-	-	-	-	-
(v) Others (please specify)					
Equity Shares	155.00	155.00	155.00	155.00	-
Investment Property	2,451.14	504.07	-	-	-
Alternative Investment Funds	-	4,393.20	-	-	-
Total (B)	**22,188.69**	**18,655.10**	**7,961.73**	**6,641.79**	**5,825.38**
Grand Total (A+B)	**31,044.93**	**28,996.67**	**11,164.10**	**13,786.61**	**11,094.60**

5. Borrower Group-wise Classification of all assets financed as in (2) and (3) above:

(₹ in Millions)

Category	As at March 31,2018	As at March 31,2017	As at March 31,2016	As at March 31,2015	As at March 31,2014
1. Related Parties					
a) Subsidiaries	-	-	-	-	-
Secured	-	-	-	-	-
Unsecured	944.74				
b) Companies in the same group	-	-	-	-	-
Secured	-	-	-	-	-
Unsecured	-	-	-	-	-
c) Other related parties	-	-	-	-	-
Secured	-	-	-	-	-
Unsecured	-	-	-	-	-
2. Other than related parties					
Secured	117,282.91	98,531.22	118,065.20	119,067.50	92,859.60
Unsecured	18,884.74	3,470.00	261.92	-	-
Total- Secured	117,282.91	98,531.22	118,065.20	119,067.50	92,859.60
Total- Unsecured	**19,829.48**	**3,470.00**	**261.92**	**-**	**-**
Total	**137,112.40**	**102,001.22**	**118,327.12**	**119,067.50**	**92,859.60**

6. Investor group wise classification of all investments (Current and Long Term) in shares and securities (Both quoted and unquoted):

(₹ in millions)

Category	As at March 31,2018	As at March 31,2017	As at March 31,2016	As at March 31,2015	As at March 31,2014
1. Related Parties					
a) Subsidiaries					
Market Value/ breakup or fair value or NAV	12,513.06	9,985.62	3,704.77	1,555.00	2,655.00
Book value (Net of provisions)	8,469.21	7,969.07	3,704.77	1,555.00	2,655.00
b) Companies in the same group					
Market Value/ breakup or fair value or NAV	-	-	-	-	-
Book value (Net of provisions)	-	-	-	-	-
c) Other related parties					
Market Value/ breakup or fair value or NAV	-	-	-	-	-
Book value (Net of provisions)	-	-	-	-	-
2. Other than related parties					
Market Value/ breakup or fair value or NAV	22,548.86	21,004.74	7,535.99	12,278.90	8,453.20
Book value (Net of provisions)	22,575.73	21,027.60	7,459.34	12,231.62	8,439.60
Total Book Value	**31,044.94**	**28,996.67**	**11,164.11**	**13,786.62**	**11,094.60**
Total Market Value	**35,061.92**	**30,990.36**	**11,240.76**	**13,833.90**	**11,108.20**

7. Other Information:

(₹ in Millions)

Particulars	As at March 31,2018	As at March 31,2017	As at March 31,2016	As at March 31,2015	As at March 31,2014
(i) Gross Non-Performing Assets					
(a) Related parties	-	-	-		
(b) Other than related parties	3,843.71	2,987.34	2,216.11	1,686.56	855.80
(ii) Net Non-Performing Assets					
(a) Related parties	-	-			
(b) Other than related parties	1,873.87	887.34	799.91	726.82	312.50
(iii) Assets acquired in satisfaction of debt	1,162.88	-	-	-	-

xxii. Particulars as per RBI Directions for auction details (As required in terms of paragraph 26 (4)(d) of Master Direction -Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016:

Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Number of gold loan accounts	47,115	61,442	1,33,619	74,071	70,269
Outstanding amount (₹ in millions)	1,669.26	2,445.40	9,402.84	5,344.90	4,918.13
Amount recovered in auction (₹ in millions)	1,848.23	2,613.86	7,449.67	4,374.00	4,566.74

None of the group companies have participated in the above auctions. The above details have been compiled by the management and relied upon by the auditors.

42. Unhedged Foreign Currency Exposure:

The unhedged foreign currency exposure as on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014 is Nil.

43. During the financial year 2016-17, CDC Group PLC [CDC], the United Kingdom's government-owned development finance institution, made a strategic investment in the Company. CDC invested ₹ 10,050.14 mn through 43,334,409 Compulsorily Convertible Preference Shares (CCPS) and 100 Equity Shares (Equity and CCPS together hereinafter referred as subscription shares) at a price of ₹ 231.92 per subscription share. Pursuant to this, upon conversion, CDC shall hold a stake of 15.45% of the total outstanding equity share capital of the company on a fully diluted basis.

44. During the year ended March 31, 2017 and pursuant to necessary regulatory approval, the Company had acquired the control and management of Samasta Microfinance Limited ("Samasta"), a Non Banking Finance Company – Micro Finance Institution [NBFC-MFI] registered with RBI and based in Bangalore, by purchase of equity shares and infusion of additional equity share capital in Samasta. As on March 31, 2017 India Infoline Finance Limited held 95.23% of the equity share capital of Samasta. Pursuant to this, Samasta and its subsidiary i.e: Ayusha Dairy Private Limited have become subsidiaries of the Company.

45. Composite Scheme of Arrangement:

The Board of Directors of the Company at its meeting held on January 31, 2018, has approved the Composite Scheme of Arrangement amongst IIFL Holdings Limited ("IIFL Holdings"), India Infoline Media and Research Services Limited ("IIFL M&R"), IIFL Securities Limited ("IIFL Securities") (formerly India Infoline Limited), IIFL Wealth Management Limited ("IIFL Wealth"), IIFL Distribution Services Limited ("IIFL Distribution"), and the Company and their respective shareholders, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") which inter-alia, envisages the merger of the Company with IIFL Holdings. The Appointed Date for the merger is opening hours of April 01, 2018. The Scheme will be given effect to on receipt of requisite approvals of National Company Law Tribunal and other authorities.

46. Disclosure on Specified Bank Notes (SBNs):

Financial Year 2016-2017

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 & the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

(₹ in Millions)

Particulars	Specified Bank Notes	Other denomination Notes	Total
Closing cash in hand as on 08.11.2016	323.18	68.92	392.10
(+) Permitted receipts	-	3,934.26	3,934.26
(-) Permitted payments	-	3,154.62	3,154.62
(-) Amount deposited in Banks	323.18	599.74	922.92
Closing cash in hand as on 30.12.2016	-	248.82	248.82

*For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016

47. The comparative financial information for the years ended March 31,2017, March 31,2016, March 31,2015 and March 31,2014 was audited by the previous auditors of the Company.

48. Previous Year's figures are regrouped, reclassified and rearranged wherever considered necessary to confirm to current year's presentation.

For and on behalf of the Board of Directors
of India Infoline Finance Limited

R. Venkataraman
Whole-time Director
DIN : 00011919

Sumit Bali
Executive Director and CEO
DIN : 02896088

Prabodh Agrawal
Chief Financial Officer

Place : Mumbai
Dated: November 13, 2018

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF
INDIA INFOLINE FINANCE LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **INDIA INFOLINE FINANCE LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the Half Year ended 30 September 2018 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 read with CIR/IMD/DF1/69/2016 dated August 10, 2016

   This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Parent's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

3. The Statement includes the results of the following entities: IIFL Home Finance Limited (Formerly known as "India Infoline Housing Finance Limited"), Samasta Microfinance Limited and Clara Developers Private Limited

4. Based on our review conducted as stated above and based on the consideration of the review report of the other auditor referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 read with CIR/IMD/DF1/69/2016 dated August 10, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We did not review the interim financial results of one subsidiary included in the consolidated unaudited financial results, whose interim financial results reflect total assets of Rs. 140,877.79 lakhs as at 30 September 2018, total revenues of Rs. 13,387.13 lakhs for the Half Year ended 30 September 2018, and total profit after tax of Rs. 1,869.93 lakhs and total comprehensive income of Rs. 1,873.71 lakhs for the Half Year ended 30 September 2018, as considered in the consolidated unaudited financial results. This interim financial results have been reviewed by other auditor whose report has been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the report of the other auditor.

   Our report on the Statement is not modified in respect of this matter.

6. The consolidated unaudited financial results includes the interim financial results of one subsidiary which has not been reviewed by their auditor, whose interim financial results reflect total assets of Rs. 1.47 lakhs as at 30 September 2018, total revenue of Rs. Nil for the Half Year ended 30 September 2018 and total profit after tax of Rs. Nil and Total comprehensive income of Rs. Nil for the Half Year ended 30 September 2018, as considered in the consolidated unaudited financial results.. According to the information and explanations given to us by the Management, this interim financial results are not material to the Group.

   Our report on the Statement is not modified in respect of our reliance on the interim financial results certified by the Management.

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

Pallavi A. Gorakshakar
Partner
(Membership No. 105035)

MUMBAI, 31 October 2018

India Infoline Finance Limited
CIN: U67120MH2004PLC147365
Regd. Office - 12A-10, 13th Floor, Parinee Crescenzo, C-38 & 39, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051
Tel: (91-22) 6788 1000 Fax: (91-22) 6788 1010 Website: www.iiflfinance.com
STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

(Amount in Rs Lacs)

Sr .No.	Particulars	Half year ended	
		Unaudited	Unaudited
		Sep 30, 2018	Sep 30, 2017
1	**Income**		
(I)	**Revenue from operations**		
(i)	Interest Income	2,27,158.05	1,74,629.05
(ii)	Dividend Income	21.96	66.52
(iii)	Fees and commission Income	5,833.43	5,656.62
(iv)	Net gain on fair value changes	1,468.10	6,587.27
(v)	Net gain on derecognition of financial instruments under amortised cost category	3,634.31	387.35
(I)	**Total Revenue from operations**	**2,38,115.85**	**1,87,326.81**
(II)	Other Income	4,792.95	780.28
(III)	**Total Income (I+II)**	**2,42,908.80**	**1,88,107.09**
2	**Expenses**		
(i)	Finance Costs	1,27,593.98	1,00,507.88
(ii)	Impairment on financial instruments	9,036.11	23,216.75
(iii)	Employee Benefits Expenses	31,401.44	19,946.12
(iv)	Depreciation, amortisation and impairment	1,245.11	762.45
(v)	Other expenses	20,110.73	11,946.87
(IV)	**Total Expenses (IV)**	**1,89,387.37**	**1,56,380.07**
(V)	**Profit before exceptional items and tax (III-IV)**	**53,521.43**	**31,727.02**
(VI)	**Exceptional Items**	**-**	**-**
(VII)	**Profit before tax (V-VI)**	**53,521.43**	**31,727.02**
3	**Tax Expense:**		
(i)	Current Tax	17,669.93	11,410.69
(ii)	Deferred Tax	85.92	(826.87)
(VIII)	**Total Tax Expense**	**17,755.85**	**10,583.82**
(IX)	**Profit for the period from continuing operations (VII-VIII)**	**35,765.58**	**21,143.20**
(X)	**Profit for the period**	**35,765.58**	**21,143.20**
	Attributable to:		
	Owners of the Company	35,725.88	21,188.61
	Non-controlling interest	39.70	(45.41)
(XI)	**Other Comprehensive Income**		
	A (i) Items that will not be reclassified to profit or loss		
	(a) Remeasurement of defined benefit liabilities/(assets)	144.95	(52.37)
	(b) Cash Flow Hedge (net)	(260.33)	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	40.63	18.14
	Subtotal (A)	**(74.75)**	**(34.23)**
	B (i) Items that will be reclassified to profit or loss	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-
	Subtotal (B)	**-**	**-**
	Other Comprehensive Income (A+B)	**(74.75)**	**(34.23)**
(XII)	**Total Comprehensive Income for the period**	**35,690.83**	**21,108.97**
	Attributable to:		
	Owners of the Company	35,651.13	21,154.45
	Non-controlling interest	39.70	(45.48)
(XIII)	**Earnings per equity share of face value Rs. 10 each (not annualised)**		
	Basic (Rs.)	12.71	7.52
	Diluted (Rs.)	12.67	6.50

Notes:

1	The Company has adopted Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2015 (the "Act") read with Companies (Indian Accounting Standards) Rules, 2015 from April 1, 2018 and the effective date of such transition is April 1, 2017. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India ("RBI") and National Housing Bank ("NHB") (collectively referred to as the "Previous GAAP"). The figures have been presented in accordance with the format prescribed for financial statements for a Non-Banking Finance Company (NBFC) whose financial statements are drawn up in compliance of the Companies (Indian Accounting Standards) Rules, 2015, in Division III of Notification No. GSR 1022 (E) dated 11th October, 2018, issued by the Ministry of Corporate Affairs, Government of India.
2	These financial results have been prepared in accordance with the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 read with CIR/IMD/DF1/69/2016 dated August 10, 2016.
3	The above unaudited consolidated financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its Meeting held on October 31, 2018. The Statutory Auditors of the Company have carried out the limited review of the aforesaid results and have issued an unmodified report. The comparative financial information of the Company for the half year ended September 30, 2017 included in these consolidated financial results, are based on the financial results prepared in accordance with the Companies (Accounting Standards) Rules, 2006, have been restated to comply with Ind AS. Adjustments have been made to the previously issued said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS.
4	The Company's main business is Financing and Investing activities. All other activities revolve around the main business. Further all activities are carried out within India. As such there are no separate reportable segments as per the Indian Accounting Standard 108 (Ind AS) on Operating Segment.
5	M/s Ayusha Dairy Private Limited, a wholly-owned subsidiary of Samasta Microfinance Limited ("Samasta"), a step down subsidiary of the Company, merged with Samasta in terms of Scheme of Arrangement approved by Regional Director vide its order datd 06 August, 2018 passed in relation to aforesaid fast track merger.
6	The Board of Directors of the Company at its meeting held on 31 January 2018, has approved the Composite Scheme of Arrangement amongst IIFL Holdings Limited ("IIFL Holdings"), India Infoline Media and Research Services Limited ("IIFL M&R"), IIFL Securities Limited ("IIFL Securities"), IIFL Wealth Management Limited ("IIFL Wealth"), IIFL Distribution Services Limited ("IIFL Distribution"), and the Company and their respective shareholders, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") which inter-alia, envisages the merger of the Company with IIFL Holdings. The Appointed Date for the merger is opening hours of 1 April 2018. The Scheme will be given effect to upon receipt of requisite approvals of NCLT and other authorities.
7	During the half year ended September 30, 2018, the Company has allotted 59,710 equity shares of Rs. 10/- each on exercise of stock options under the Employee Stock Option Plan.
8	Net profit reconciliation between the figures reported under Previous GAAP and Ind AS is as under:

Sr .No.	Particulars	Half year Ended
		Sep 30, 2017
		Unaudited
	Net Profit after tax as per previous GAAP	**24,853.25**
	Add/(Less) : Adjustments as per Ind AS	
1	Provision for expected credit loss	(7,195.33)
2	Effective Interest Rate for financial assets recognised at amortised cost	275.26
3	Effective Interest Rate for financial liabilities recognised at amortised cost	63.80
4	Net Gain on derecognition of loans sold under assignment transaction	387.35
5	Actuarial loss on employee defined benefit plan recognised in 'Other comprehensive income' as per Ind AS 19	52.37
6	Fair valuation of Investments	552.12
7	ESOP Compensation Cost	(116.14)
8	Reversal of Deferred tax liability on Special Reserve	690.29
9	Dividend payable on Preference shares	(362.06)
10	Deferred tax impact on above adjustments	1,942.31
11	**Profit after tax as per Ind AS**	**21,143.20**
12	Other Comprehensive Income (net of tax)	(34.23)
13	**Total Comprehensive Income as per Ind AS**	**21,108.97**

9. Statement of Assets and Liabilities:

(Amount in Rs Lacs)

Sr. No.	Particulars	As at Sep 30 2018 Unaudited
	ASSETS	
(1)	**Financial Assets**	
(a)	Cash and cash equivalents	91,536.68
(b)	Bank Balance other than (a) above	1,39,480.60
(c)	Receivables	
	(I) Trade Receivables	4,558.77
	(II) Other Receivables	-
(d)	Loans	31,75,201.11
(e)	Investments	92,973.07
(f)	Other Financial assets	19,578.30
(2)	**Non-financial Assets**	
(a)	Current tax assets (Net)	12,732.10
(b)	Deferred tax Assets (Net)	35,927.29
(c)	Investment Property	26,342.60
(d)	Property, Plant and Equipment	8,652.47
(e)	Capital work-in-progress	273.86
(f)	Goodwill	1,071.82
(g)	Other Intangible assets	201.06
(h)	Other non-financial assets	3,750.87
	Total Assets	**36,12,280.60**
	LIABILITIES AND EQUITY	
(1)	**Financial Liabilities**	
(a)	Derivative financial instruments	322.17
(b)	Trade Payables	
	(I) Trade Payables	
	(i) total outstanding dues of micro enterprises and small enterprises	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	617.49
	(II) Other Payables	
	(i) total outstanding dues of micro enterprises and small enterprises	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	8,381.99
(c)	Debt Securities	6,41,063.94
(d)	Borrowings (Other than Debt Securities)	22,56,646.25
(e)	Subordinated Liabilities	1,56,004.94
(f)	Other financial Liabilities	1,39,390.72
(2)	**Non-financial liabilities**	
(a)	Current tax liabilities (Net)	8,577.21
(b)	Provisions	2,427.38
(c)	Other non-financial liabilities	1,175.22
(3)	**Equity**	
(a)	Equity Share Capital	28,080.17
(b)	Other Equity	3,69,227.04
(c)	Non-controlling interest	366.08
	Total Liabilities and Equity	**36,12,280.60**

By order of the Board
For India Infoline Finance Limited

Date: October 31, 2018

Place: Mumbai

Sumit Bali
Executive Director & CEO
DIN: 02896088

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF INDIA INFOLINE FINANCE LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **India Infoline Finance Limited** ("the Company"), for half year ended September 30, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 read with CIR/IMD/DF1/69/2016 dated August 10, 2016.

   This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 read with CIR/IMD/DF1/69/2016 dated August 10, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Pallavi A. Gorakshakar
Partner
(Membership No. 105035)

MUMBAI, October 31, 2018

India Infoline Finance Limited
CIN: U67120MH2004PLC147365
Regd. Office - 12A-10, 13th Floor, Parinee Crescenzo, C-38 & 39, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051
Tel: (91-22) 6788 1000 Fax: (91-22) 6788 1010 Website: www.iiflfinance.com
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018

(Amount in Rs Lacs)

Sr .No.	Particulars	Half year ended	
		Unaudited	Unaudited
		Sep 30, 2018	Sep 30, 2017
1	**Income**		
(I)	**Revenue from operations**		
(i)	Interest Income	1,37,928.41	1,15,264.09
(ii)	Dividend Income	20.00	19.14
(iii)	Fees and commission Income	2,300.51	3,060.31
(iv)	Net gain on fair value changes	324.81	6,437.67
(v)	Net gain on derecognition of financial instruments under amortised cost category	3,896.20	-
(I)	**Total Revenue from operations**	**1,44,469.93**	**1,24,781.21**
(II)	Other Income	899.51	(450.23)
(III)	**Total Income (I+II)**	**1,45,369.44**	**1,24,330.98**
2	**Expenses**		
(i)	Finance Costs	70,156.28	62,947.50
(ii)	Net loss on derecognition of financial instruments under amortised cost category	-	68.45
(iii)	Impairment on financial instruments	6,691.04	19,793.21
(iv)	Employee Benefits Expenses	19,202.74	12,475.68
(v)	Depreciation, amortisation and impairment	1,018.41	657.05
(vi)	Other expenses	15,077.87	8,771.04
(IV)	**Total Expenses (IV)**	**1,12,146.34**	**1,04,712.93**
(V)	**Profit before exceptional items and tax (III-IV)**	**33,223.10**	**19,618.05**
(VI)	**Exceptional Items**	**-**	**-**
(VII)	**Profit before tax (V-VI)**	**33,223.10**	**19,618.05**
3	**Tax Expense:**		
(i)	Current Tax	10,775.00	6,857.00
(ii)	Deferred Tax	854.83	(37.22)
(VIII)	**Total Tax Expense**	**11,629.83**	**6,819.78**
(IX)	**Profit for the period from continuing operations (VII-VIII)**	**21,593.27**	**12,798.27**
(X)	**Profit for the period**	**21,593.27**	**12,798.27**
(XI)	**Other Comprehensive Income**		
	A (i) Items that will not be reclassified to profit or loss		
	(a) Remeasurement of defined benefit liabilities/(assets)	226.57	(36.47)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(79.17)	12.74
	Subtotal (A)	**147.40**	**(23.73)**
	B (i) Items that will be reclassified to profit or loss	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-
	Subtotal (B)	**-**	**-**
	Other Comprehensive Income (A+B)	**147.40**	**(23.73)**
(XII)	**Total Comprehensive Income for the period**	**21,740.67**	**12,774.54**
(XIII)	**Earnings per equity share of face value Rs. 10 each (not annualised)**		
	Basic (Rs.)	7.74	4.55
	Diluted (Rs.)	7.72	3.93

Notes:

1	The Company has adopted Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2015 (the "Act") read with Companies (Indian Accounting Standards) Rules, 2015 from April 1, 2018 and the effective date of such transition is April 1, 2017. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India ("RBI") (collectively referred to as the "Previous GAAP"). The figures have been presented in accordance with the format prescribed for financial statements for a Non-Banking Finance Company (NBFC) whose financial statements are drawn up in compliance of the Companies (Indian Accounting Standards) Rules, 2015, in Division III of Notification No. GSR 1022 (E) dated 11th October, 2018, issued by the Ministry of Corporate Affairs, Government of India.
2	These financial results have been prepared in accordance with the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 read with CIR/IMD/DF1/69/2016 dated August 10, 2016.
3	The above unaudited financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its Meeting held on October 31, 2018. The Statutory Auditors of the Company have carried out the limited review of the aforesaid results and have issued an unmodified report. The comparative financial information of the Company for the half year ended September 30, 2017 included in these standalone financial results, are based on the financial results prepared in accordance with the Companies (Accounting Standards) Rules, 2006, have been restated to comply with Ind AS. Adjustments have been made to the previously issued said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS.
4	The Company's main business is Financing and Investing activities. All other activities revolve around the main business. Further all activities are carried out within India. As such there are no separate reportable segments as per the Indian Accounting Standard 108 (Ind AS) on Operating Segment.
5	The Board of Directors of the Company at its meeting held on 31 January 2018, has approved the Composite Scheme of Arrangement amongst IIFL Holdings Limited ("IIFL Holdings"), India Infoline Media and Research Services Limited ("IIFL M&R"), IIFL Securities Limited ("IIFL Securities"), IIFL Wealth Management Limited ("IIFL Wealth"), IIFL Distribution Services Limited ("IIFL Distribution"), and the Company and their respective shareholders, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") which inter-alia, envisages the merger of the Company with IIFL Holdings. The Appointed Date for the merger is opening hours of 1 April 2018. The Scheme will be given effect to upon receipt of requisite approvals of NCLT and other authorities.
6	During the half year ended September 30, 2018, the Company has allotted 59,710 equity shares of Rs. 10/- each on exercise of stock options under the Employee Stock Option Plan.
7	Net profit reconciliation between the figures reported under Previous GAAP and Ind AS is as under:

Sr .No.	Particulars	Half year Ended
		Sep 30, 2017
		Unaudited
	Net Profit after tax as per previous GAAP	**16,475.18**
	Add/(Less) : Adjustments as per Ind AS	
1	Provision for expected credit loss	(6,141.91)
2	Effective Interest Rate for financial assets recognised at amortised cost	800.17
3	Effective Interest Rate for financial liabilities recognised at amortised cost	1.45
4	Net Gain on derecognition of loans sold under assignment transaction	(68.45)
5	Actuarial loss on employee defined benefit plan recognised in 'Other comprehensive income' as per Ind AS 19	23.73
6	Fair valuation of Investments	552.12
7	ESOP Compensation Cost	(52.76)
8	Dividend payable on Preference shares	(362.06)
9	Deferred tax impact on above adjustments	1,570.80
10	**Profit after tax as per Ind AS**	**12,798.27**
11	Other Comprehensive Income (net of tax)	(23.73)
12	**Total Comprehensive Income as per Ind AS**	**12,774.54**

8. Statement of Assets and Liabilities:

(Amount in Rs Lacs)

Sr. No.	Particulars	As at Sep 30 2018 Unaudited
	ASSETS	
(1)	**Financial Assets**	
(a)	Cash and cash equivalents	72,367.51
(b)	Bank Balance other than (a) above	1,14,853.79
(c)	Receivables	
	(I) Trade Receivables	2,793.66
	(II) Other Receivables	-
(d)	Loans	15,72,114.86
(e)	Investments	1,75,499.48
(f)	Other Financial assets	11,400.14
(2)	**Non-financial Assets**	
(a)	Current tax assets (Net)	10,658.98
(b)	Deferred tax Assets (Net)	32,587.31
(c)	Investment Property	26,342.60
(d)	Property, Plant and Equipment	7,133.39
(e)	Capital work-in-progress	273.49
(f)	Other Intangible assets	133.19
(g)	Other non-financial assets	1,742.44
	Total Assets	**20,27,900.84**
	LIABILITIES AND EQUITY	
(1)	**Financial Liabilities**	
(a)	Trade Payables	
	(I) Trade Payables	
	(i) total outstanding dues of micro enterprises and small enterprises	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	180.95
	(II) Other Payables	
	(i) total outstanding dues of micro enterprises and small enterprises	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	4,215.39
(b)	Debt Securities	2,85,010.22
(c)	Borrowings (Other than Debt Securities)	12,57,276.96
(d)	Subordinated Liabilities	81,422.04
(e)	Other financial Liabilities	56,041.41
(2)	**Non-financial liabilities**	
(a)	Current tax liabilities (Net)	6,497.77
(b)	Provisions	1,439.62
(c)	Other non-financial liabilities	102.35
(3)	**Equity**	
(a)	Equity Share Capital	28,080.17
(b)	Other Equity	3,07,633.96
	Total Liabilities and Equity	**20,27,900.84**

By order of the Board
For India Infoline Finance Limited

Date: October 31, 2018

Place: Mumbai

Sumit Bali
Executive Director & CEO
DIN: 02896088

Statement of Dividends

Particulars		For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Equity Share Capital (Rs.in Million)		2,807.42	2,371.66	2,371.54	2,371.54	2,371.54
Face Value Per Equity Share (Rs.)	(a)	10.00	10.00	10.00	10.00	10.00
Interim Dividend on Equity Shares (Rs per Equity Share)	(b)	2.75	2.75	2.75	2.50	2.50
Total interim dividend on Equity Shares (Rs.in Million)		652.79	652.17	652.17	592.89	592.89
Dividend Declared Rate (In %)	(c=b/a)	27.50%	27.50%	27.50%	25.00%	25.00%
Dividend tax (gross) on interim dividend (Rs.in Million)		132.89	130.21	132.78	108.07	100.76

Particulars		For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Preference Share Capital (Rs in Million)		-	1,183.34	3,250.00	3,250.00	-
Face Value per Preference Share (Rs.)		10.00	10.00	10.00	10.00	-
Total dividend on Preference Shares (Rs in Million)		159.16	140.39	278.75	35.97	-
Dividend tax (gross) on preference dividend (Rs.in Million)		32.40	24.52	34.11	-	-

For **India Infoline Finance Limited**

Sumit Bali
Executive Director & CEO
DIN: 02896088

Place: Mumbai
Date: 13 November, 2018

INDIA INFOLINE FINANCE LTD.

In terms of our report of factual findings in connection with agreed-upon procedures related to the Statement of Dividends of even date.

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS

Annexure 1

STATEMENT OF ACCOUNTING RATIOS (Standalone basis)

1. Basic and Diluted Earnings per Share

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Weighted average number of equity shares outstanding for computation of Basic EPS (A)	23,78,31,520	23,71,54,141	23,71,54,030	23,71,54,030	23,71,54,030
Add: Potential equity shares (B)	4,33,81,505	2,24,93,539	-	-	-
Weighted average number of equity shares used in computation of diluted earnings per share (C=A+B)	28,12,13,025	25,96,47,680	23,71,54,030	23,71,54,030	23,71,54,030
Profit after Tax attributable to equity shareholders [Rs.in million] (D)	3,496.89	3,296.07	2,404.45	2,433.95	1,794.62
Nominal Value of share [in Rs.]	₹10.00	₹10.00	₹10.00	₹10.00	₹10.00
Basic earnings per share [in Rs.] (E=(D/A))	₹14.70	₹13.90	₹10.14	₹10.26	₹7.57
Diluted earnings per share [in Rs.] (F=(D/C))	₹12.44	₹12.69	₹10.14	₹10.26	₹7.57

2. Return on Networth

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Net Profit after tax [Rs.in million] (A)	3,544.97	3,427.28	2,717.32	2,477.25	1,794.62
Average networth [Rs.in million] (B) <Refer Annexure 1A>	34,010.56	28,042.14	22,155.77	18,768.34	15,710.16
Return on networth (A/B)	10.42%	12.22%	12.26%	13.20%	11.42%

3. Net Asset Value Per Equity Share

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Number of equity shares (A)	28,07,42,031	23,71,65,102	23,71,54,030	23,71,54,030	23,71,54,030
Networth [Rs.in million] (B) <Refer Annexure 1A>	34,942.91	33,078.20	23,006.08	21,305.46	16,231.22
Net asset value per equity share (B/A)	124.47	139.47	97.01	89.84	68.44

4. Debt-equity ratio

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Debt [Rs.in million] (A) <Refer Annexure 1A>	1,45,072.97	1,14,862.09	1,09,638.36	1,24,675.64	95,743.32
Equity [Rs.in million] (B)	34,954.34	33,115.12	23,094.12	21,474.62	16,484.30
Debt-equity ratio (A/B)	4.15	3.47	4.75	5.81	5.81

For **India Infoline Finance Limited**

Sumit Bali
Executive Director & CEO
DIN: 02896088

Place: Mumbai
Date: 13 November, 2018

INDIA INFOLINE FINANCE LTD.

In terms of our Report of factual findings in connection with agreed-upon procedures related to the Statement of Accounting Ratios of even date.

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS

Annexure 2

STATEMENT OF ACCOUNTING RATIOS (Consolidated basis)

1. Basic and Diluted Earnings per Share

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Weighted average number of equity shares outstanding for computation of Basic EPS (A)	23,78,31,520	23,71,54,141	23,71,54,030	23,71,54,030	23,71,54,030
Add: Potential equity shares (B)	4,33,81,505	2,24,93,539	-	-	-
Weighted average number of equity shares used in computation of diluted earnings per share (C=A+B)	28,12,13,025	25,96,47,680	23,71,54,030	23,71,54,030	23,71,54,030
Profit after Tax attributable to equity shareholders [Rs.in million] (D)	5,494.94	4,100.75	2,994.33	2,882.41	2,057.64
Nominal Value of share [in Rs.]	₹10.00	₹10.00	₹10.00	₹10.00	₹10.00
Basic earnings per share [in Rs.] (E=(D/A))	₹23.10	₹17.29	₹12.63	₹12.15	₹8.68
Diluted earnings per share [in Rs.] (F=(D/C))	₹19.54	₹15.79	₹12.63	₹12.15	₹8.68

2. Return on Networth

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Net Profit after tax [Rs.in million] (A)	5,543.01	4,231.96	3,387.00	3,012.27	2,104.04
Average networth [Rs.in million] (B) <Refer Annexure 1A>	37,240.67	29,900.04	23,332.72	19,412.78	16,047.72
Return on networth (A/B)	14.88%	14.15%	14.52%	15.52%	13.11%

3. Net Asset Value Per Equity Share

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Number of equity shares (A)	28,07,42,031	23,71,65,102	23,71,54,030	23,71,54,030	23,71,54,030
Networth [Rs.in million] (B) <Refer Annexure 1A>	39,166.93	35,314.41	24,485.67	22,179.76	16,645.80
Net asset value per equity share (B/A)	139.51	148.90	103.25	93.52	70.19

4. Debt-equity ratio

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Debt [Rs.in million] (A) <Refer Annexure 1A>	2,49,058.77	1,81,041.17	1,53,127.00	1,39,833.35	1,01,707.70
Equity [Rs.in million] (B)	39,285.79	35,448.52	24,640.21	22,436.84	17,007.86
Debt-equity ratio (A/B)	6.34	5.11	6.21	6.23	5.98

For **India Infoline Finance Limited**

Sumit Bali
Executive Director & CEO
DIN: 02896088

Place: Mumbai
Date: 13 November, 2018

INDIA INFOLINE FINANCE LTD.

In terms of our report of factual findings in connection with agreed-upon procedures related to the Statement of Accounting Ratios of even date.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Annexure 1A

Rs.In Million

Standalone		FY18	FY17	FY16	FY15	FY14	FY13
Share Capital		2,807.42	3,555.00	5,621.54	5,621.54	2,371.54	2,371.54
Reserve and Surplus		32,146.92	29,560.12	17,472.58	15,853.08	14,112.76	13,011.79
Total Equity	**a**	**34,954.34**	**33,115.12**	**23,094.12**	**21,474.62**	**16,484.30**	**15,383.33**
Less : Unamortised debenture issue expenses							
Current		11.43	25.48	51.12	120.29	86.74	121.59
Non Current		-	11.44	36.92	48.87	166.34	72.64
Total	**b**	**11.43**	**36.92**	**88.04**	**169.16**	**253.08**	**194.23**
Networth	**c=a-b**	**34,942.91**	**33,078.20**	**23,006.08**	**21,305.46**	**16,231.22**	**15,189.10**
Average Networth (Refer Note a)		**34,010.56**	**28,042.14**	**22,155.77**	**18,768.34**	**15,710.16**	
Total Debt							
(i) Long-term borrowings		46,439.00	58,172.23	53,651.24	79,796.24	52,250.02	42,718.43
(ii) Short-term borrowings		79,210.68	45,086.02	25,494.14	31,270.57	26,885.11	33,496.68
(iii) Current maturities of long term borrowings		19,423.29	11,603.84	30,492.98	13,608.83	16,608.19	14,000.19
Total Debt		**1,45,072.97**	**1,14,862.09**	**1,09,638.36**	**1,24,675.64**	**95,743.32**	**90,215.30**

Consolidated		FY18	FY17	FY16	FY15	FY14	FY13
Share Capital		2,807.42	3,555.00	5,621.54	5,621.54	2,371.54	2,371.54
Reserve and Surplus		36,478.37	31,893.52	19,018.67	16,815.30	14,636.32	13,272.33
Total Equity	**a**	**39,285.79**	**35,448.52**	**24,640.21**	**22,436.84**	**17,007.86**	**15,643.87**
Less : Unamortised debenture issue expenses							
Current		62.37	70.17	72.49	143.63	108.75	121.59
Non Current		56.49	63.94	82.05	113.45	253.31	72.64
Total	**b**	**118.86**	**134.11**	**154.54**	**257.08**	**362.06**	**194.23**
Networth	**c=a-b**	**39,166.93**	**35,314.41**	**24,485.67**	**22,179.76**	**16,645.80**	**15,449.64**
Average Networth (Refer Note a)		**37,240.67**	**29,900.04**	**23,332.72**	**19,412.78**	**16,047.72**	
Total Debt							
(i) Long-term borrowings		1,03,601.67	1,07,012.73	86,306.68	91,792.88	58,064.40	43,368.43
(ii) Short-term borrowings		98,283.10	54,003.27	33,547.36	34,006.64	26,885.11	34,496.68
(iii) Current maturities of long term borrowings		47,174.00	20,025.17	33,272.96	14,033.83	16,758.19	14,400.19
Total Debt		**2,49,058.77**	**1,81,041.17**	**1,53,127.00**	**1,39,833.35**	**1,01,707.70**	**92,265.30**

a) Average Networth means sum of opening and closing Networth divided by two.
b) Information in respect of Financial Years 2017-18, 2016-17, 2015-16, 2014-15 and 2013-14 have been traced to the underlying Reformatted Summary Standalone / Consolidated Financial Statements dated 13 November 2018 of the Company for the respective years and Information in respect of Financial Year 2012-13 has been traced to the Standalone Financial Statements of the Company of FY 2012-13.

INDIA INFOLINE FINANCE LTD.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Statement of Capitalisation

Rs.in Million

	Standalone			Consolidated		
	Pre issue as at September 30, 2018 (A) *	**Proposed proceeds from the issue**(B)**	**Post Issue** (C= A+B)**	**Pre issue as at September 30, 2018 (D) ***	**Proposed proceeds from the issue**(E)**	**Post Issue** (F= D+E)**
Debt						
Debt Securities	28,501.02	40,000.00	68,501.02	64,106.39	40,000.00	1,04,106.39
Borrowings (Other than Debt Securities)	1,25,727.70	-	1,25,727.70	2,25,664.62	-	2,25,664.62
Subordinated Liabilities	8,142.20	10,000.00	18,142.20	15,600.49	10,000.00	25,600.49
Total Debt (A)	**1,62,370.92**	**50,000.00**	**2,12,370.92**	**3,05,371.51**	**50,000.00**	**3,55,371.51**
Equity						
Equity and Share Capital	2,808.02	-	2,808.02	2,808.02	-	2,808.02
Other Equity	30,763.40	-	30,763.40	36,922.70	-	36,922.70
Non-controlling interest				36.61	-	36.61
Total Equity (B)	**33,571.42**	**-**	**33,571.42**	**39,767.33**	**-**	**39,767.33**
Debt / Equity (A/ B)	**4.84**		**6.33**	**7.68**		**8.94**

* As per Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.

** The figures for the respective financial statements line items under Post Issue column are derived after considering the impact due to proposed issue of secured debt and/or unsecured subordinated debt and it does not consider any other transactions or movements for such financial statements line items after 30 September 2018. The debt-equity ratio post the Issue is indicative on account of the assumed inflow of Rs.50,000 million from the proposed Issue in the secured debt and/or unsecured subordinated debt category as on 30 September 2018. The actual debt-equity ratio post the Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.

For **India Infoline Finance Limited**

Sumit Bali
Managing Director & CEO

DIN: 02896088

Place: Mumbai
Date: 22 November, 2018

In terms of our report of factual findings in connection with agreed-upon procedures related to the Statement of Capitalisation of even date.

MATERIAL DEVELOPMENTS

The following material developments have taken place in the Company since September 30, 2018 till the date of filing this Draft Shelf Prospectus:

1. Our Company has issued secured redeemable non-convertible debentures aggregating to Rs.3,000 million, on private placement basis, having a tenor of 762 days and with attached coupon of 9.5% per annum, pursuant to resolution passed by the Finance Committee of the Company held on October 4, 2018.

2. Shubhalakshmi Panse resigned as Independent Director with effect from October 31, 2018.

3. 18,860 equity shares of Rs. 10/- each were allotted to certain employees of the Company/ Subsidiary Companies/ Promoter, who have exercised their options granted by the Company under the IIFL ESOP 2015.

4. The following shareholders of our Company have transferred their Equity Shares to IIFL Holdings Limited on October 25, 2018.

S.No.	Name of Transferor	Name of Transferee	No. of equity shares
1	Nirmal Jain (in capacity of nominee of IIFL Holdings Limited)	IIFL Holdings Limited	4950
2	Venkataraman Rajamani (in capacity of nominee of IIFL Holdings Limited)	IIFL Holdings Limited	5000
3	Mohan Radhakrishnan (in capacity of nominee of IIFL Holdings Limited)	IIFL Holdings Limited	20
4	Prabodh Agrawal (in capacity of nominee of IIFL Holdings Limited)	IIFL Holdings Limited	10
5	Narendra Jain (in capacity of nominee of IIFL Holdings Limited)	IIFL Holdings Limited	10

5. Transfer of Shares to IIFL Holdings Limited dated November 15, 2018

S.No.	Name of Transferor	Name of Transferee	No. of equity shares of Rs. 10/- Each
1	Karan Arora	IIFL Holdings Limited	2430
2	Baskar S	IIFL Holdings Limited	3190
3	G L Kumar	IIFL Holdings Limited	7970

6. 29,15,700 stock options were granted to identified employees pursuant to the resolution passed by the NRC dated November 21, 2018.

To the best of the knowledge and in the opinion of the Board of Directors, save and except mentioned hereinabove,

(a) there have arisen no circumstances that materially or adversely affect the operations or financial condition or profitability of the Company or the value of its assets or its ability to pay out material liabilities over the next 12 months or

(b) any material event / development or change having implications on the business of the Company at the time of Issue which may affect the Issue or investor's decision to invest or continue to invest in the Issue.

SUMMARY OF CERTAIN SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND-AS

The Reformatted Summary Financial Statements included in this Draft Shelf Prospectus have been prepared by the Company from the financial statements prepared in accordance with Indian GAAP, which differs from Indian Accounting Standards ("**Ind AS**") in certain respects.

The Ministry of Corporate Affairs ("**MCA**") in its press release dated January 18, 2016 ,issued a roadmap for implementation of Ind AS converged with IFRS for non- banking financial companies, scheduled 50 commercial banks, insurers, and insurance companies, which was subsequently confirmed by RBI through its circular dated February 11,2016. The notification further explains that NBFCs having a net worth of Rs. 50,000 lakh or more as of March 31, 2016 shall comply with Ind AS for accounting periods beginning on or after April 1, 2018, with comparatives for the periods ending on March 31, 2018. Therefore, the Issuer would be subject to this notification.

"Summary of Significant Differences among Indian GAAP and Ind AS", does not present all differences between Indian GAAP and Ind AS which are relevant to the Issuer.

Consequently, there can be no assurance that those are the only differences in the accounting principles that could have a significant impact on the financial information included in this Draft Prospectus.

The Issuer has not considered matters of Indian GAAP presentation and disclosures, which also differ from Ind AS. In making any investment decision, investors must rely upon their own examination of the Issuer's business, the terms of the offerings and the financial information included in this Draft Prospectus.

POTENTIAL INVESTORS SHOULD CONSULT WITH THEIR OWN PROFESSIONAL ADVISORS FOR A MORE THOROUGH UNDERSTANDING OF THE DIFFERENCES BETWEEN INDIAN GAAP AND IND AS AND HOW THOSE DIFFERENCES MIGHT AFFECT THE FINANCIAL INFORMATION INCLUDED IN THIS DRAFT PROSPECTUS.

THE ISSUER CANNOT ASSURE THAT IT HAS COMPLETED A COMPREHENSIVE ANALYSIS OF THE EFFECT OF IND AS ON FUTURE FINANCIAL INFORMATION OR THAT THE APPLICATION OF IND AS WILL NOT RESULT IN A MATERIALLY ADVERSE EFFECT ON THE ISSUER'S FUTURE FINANCIAL INFORMATION.

Topic	Indian GAAP	Ind AS
	Other Comprehensive Income: There is no concept of 'Other Comprehensive Income' under Indian GAAP.	**Other Comprehensive Income:** Under Ind AS 1 there is a concept of Other Comprehensive Income ("**OCI**"). Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognised in profit or loss as required or permitted by other Ind AS. Such recognition of income and expenses in OCI is primarily governed by the income recognition norms and classification of financial instruments and assets as "Fair Value through OCI".
	Extraordinary items: Under Indian GAAP, extraordinary items are disclosed separately in the statement of profit and loss and are included in the determination of net profit or loss for the period. Items of income or expense to be disclosed as extraordinary should be distinct from the ordinary activities and are determined by the nature of the event	**Extraordinary items:** Under Ind AS, presentation of any items of income or expense as extraordinary is prohibited.

Topic	Indian GAAP	Ind AS
	or transaction in relation to the business ordinarily carried out by an entity.	
	Change in Accounting Policies: Indian GAAP requires changes in accounting policies to be presented in the financial statements on a prospective basis (unless transitional provisions, if any, of an accounting standard require otherwise) together with a disclosure of the impact of the same, if material. If a change in the accounting policy has no material effect on the financial statements for the current period, but is expected to have a material effect in the later periods, the same should be appropriately disclosed.	**Change in Accounting Policies:** Ind AS requires retrospective application of changes in accounting policies by adjusting the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts for each period presented as if the new accounting policy had always been applied, unless transitional provisions of an accounting standard require otherwise.
Deferred Taxes	Under Indian GAAP, the Company determines deferred tax to be recognised in the financial statements with reference to the income statement approach i.e. with reference to the timing differences between profit offered for income taxes and profit as per the financial statements.	As per Ind AS 12 Income Taxes, deferred tax is determined with reference to the balance sheet approach i.e. based on the differences between carrying value of the assets/ liabilities and their respective tax base. Using the balance sheet approach, there could be additional deferred tax charge/income on account of all Ind AS opening balance sheet adjustments.
Property, plant and equipment – reviewing, depreciation and residual value	Under Indian GAAP, the Company currently provides depreciation over the useful lives of the assets estimated by the Management.	Ind AS 16 mandates reviewing the method of depreciation, estimated useful life and estimated residual value of an asset at least once in a year. The effect of any change in the estimated useful and residual value shall be taken prospectively. Ind AS 101 allows current carrying value under Indian GAAP for items of property, plant and equipment to be carried forward as the cost under Ind AS.
Accounting for Employee benefits	Currently, under Indian GAAP the Company recognises all short term and long term employee benefits in the profit and loss account as the services are received. For long term employee benefit, the Company uses actuarial valuation to determine the liability.	Under Ind AS 19, the change in liability is split into changes arising out of service, interest cost and re-measurements and the change in asset is split between interest income and remeasurements. Changes due to service cost and net interest cost/ income need to be recognised in the income statement and the changes arising out of re-measurements comprising of actuarial gains and losses representing changes in the present value of the defined benefit obligation resulting from experience adjustment and effects of changes in actuarial assumptions are to be recognised directly in OCI and not reclassified to profit and loss in the subsequent period.
Separate Financial Statements	Accounting for investments in subsidiaries is governed by Accounting Standard 13 depending on the	Accounting for investments in subsidiaries is governed by Ind AS 27 which gives an option to account the same at cost or in accordance with Ind AS 109

Topic	Indian GAAP	Ind AS
	classification of the investment as current or long term	
Provisions, contingent liabilities and contingent assets	Under Indian GAAP, provisions are recognised only under a legal obligation. Also, discounting of provisions to present value is not permitted	Under Ind AS, provisions are recognised for legal as well as constructive obligations. Ind AS requires discounting the provisions to present value, if the effect of time value of money is material.
Share based payments	Under Indian GAAP, company has an option to account for share based payments on the basis of intrinsic value or fair value. The company followed the intrinsic value method and gave a proforma disclosure for the fair valuation. The intrinsic value for the company was nil.	Under Ind AS, the share based payments have to be mandatorily accounted basis the fair value and the same has to be recorded in the Statement of Profit and Loss over the vesting period. The fair valuation of the unvested options as on the transition date have to be adjusted against retained earnings.
Presentation and classification of Financial Instruments and subsequent measurement	Currently, under Indian GAAP, the financial assets and financial liabilities are recognised at the transaction value. The Company classifies all its financial assets and liabilities as short term or long term. Long term investments are carried at cost less any diminution other than temporary in the value of such investments determined on a specific identification basis. Current investments are carried at lower of cost and fair value. Financial liabilities are carried at their transaction values. Disclosures under Indian GAAP are limited. Currently under Indian GAAP, loan processing fees and/or fees of similar nature are recognised upfront in the Statement of Profit and Loss.	Ind AS 109 requires all financial assets and financial liabilities to be recognised on initial recognition at fair value. Financial assets have to be either classified as measured at amortised cost or measured at fair value. Where assets are measured at fair value, gains and losses are either recognised entirely in profit or loss, (FVTPL), or recognised in other comprehensive income (FVOCI). Financial assets include equity and debts investments, interest free deposits, loans, trade receivables etc. Assets classified at amortised cost and FVOCI and the related revenue (including processing fees and fees of similar nature) net of related costs have to be measured using the Effective Interest Rate (EIR) method. Loan processing fees and/or fees of similar nature would be measured and recognised using the Effective Interest Rate (EIR) method over the period of loan. There are two measurement categories for financial liabilities – FVTPL and amortised cost. Fair value adjustment on transition shall be adjusted against opening retained earnings on the date of transition. Disclosures under Ind AS are extensive.
Financial Instruments - Impairment	Under Indian GAAP, the Company assesses the provision for doubtful debts at each reporting period, which in practice, is based on relevant information like past experience, financial position of the debtor, cash flows of the debtor, guidelines issued by the regulator etc.	The impairment model in Ind AS is based on expected credit losses and it applies equally to debt instruments measured at amortised cost or FVOCI, financing receivables, lease receivables, trade receivables and certain written loan commitments and financial guarantee contracts.
Financial Instruments - Disclosure	Currently there are no detailed disclosure requirements for financial instruments. However, the ICAI has issued an Announcement in December 2005 requiring the following disclosures to be made in respect of derivative instruments in the financial statements:	Requires disclosure of information about the nature and extent of risks arising from financial instruments: • qualitative disclosures about exposures to each type of risk and how those risks are managed; and

Topic	Indian GAAP	Ind AS
	• Category-wise quantitative data about derivative instruments that are outstanding at the balance sheet date; • The purpose, viz., hedging or speculation, for which such derivative instruments have been acquired; and The foreign currency exposures that are not hedged by a derivative instrument or otherwise.	• quantitative disclosures about exposures to each type of risk, separately for credit risk, liquidity risk and market risk (including sensitivity analysis).
Segment Reporting	Under Indian GAAP there is a requirement to identify two sets of segments (business and geographical), using a risks and rewards approach, with the entity's system of internal financial reporting to key management personnel serving only as the starting point for the identification of such segments.	Operating segments are identified based on the financial information that is regularly reviewed by the chief operating decision maker in deciding how to allocate resources and in assessing performance.
Consolidated Financial Statements	Under Indian GAAP the consolidation is driven by the reporting entity's control over its investees namely subsidiaries, associates and joint ventures. Control is: (a) the ownership, directly or indirectly through subsidiary(ies), of more than one-half of the voting power of an entity; or (b) control of the composition of the board of directors in the case of a company or of the composition of the corresponding governing body in case of any other entity so as to obtain economic benefits from its activities. Therefore, a mere ownership of more than 50% of equity shares is sufficient to constitute control under Indian GAAP, whereas this is not necessarily so under Ind AS.	Control is based on whether an investor has: (a) power over the investee; (b) exposure, or rights, to variable return from its involvement with the investee; and (c) the ability to use its power over the investee to affect the amounts of the returns.
Consolidation - Exclusion of subsidiaries, associates and joint ventures	Excluded from consolidation, equity accounting or proportionate consolidation if the subsidiary/investment/interest was acquired with intent to dispose of in the near future (which, ordinarily means not more than 12 months, unless a longer period can be justified based on facts and circumstances of the case) or if it operates under severe long-term restrictions which significantly impair its ability to transfer funds to the parent/investor/venturer.	Consolidated financial statements include all subsidiaries and equity accounted associates and joint ventures. No exemption for "temporary control", "different lines of business" or "subsidiary / associate / joint venture that operates under severe long- term funds transfer restrictions".
Consolidation – Joint Ventures	Under Indian GAAP, Proportionate consolidation method is applied when the entity prepares consolidated financial statements.	The equity method, as described in Ind AS 28 is applied when the entity prepares consolidated financial statements.

DISCLOSURES ON EXISTING FINANCIAL INDEBTEDNESS

The outstanding borrowings of our Company as on September 30, 2018, are as follows:

(Rs. in Million)

S. No.	Nature of Borrowings	Amount
1.	Secured borrowings	81,847.87
2.	Unsecured borrowings	74,756.05

Note: *The above amount represents gross amount of borrowings of our Company (excluding the impact of effective interest rate method and outstanding securitisation, as required under Ind AS).*

Set forth below, is a summary of the borrowings by our Company as at September 30, 2018 together with a brief description of certain significant terms of such financing arrangements.

A. Details of secured borrowings:

Our Company's secured borrowings as on September 30, 2018 amount to Rs. 81,847.87 Million. The details of the individual borrowings are set out below:

1. Cash Credit / Working Capital Demand Loan ("WCDL") facilities availed by our Company

(Rs.in Million)

S. No.	Bank	Date of Sanction / Renewal	Amount Sanctioned	Amount Outstanding	Repayment date / schedule	Prepayment
			Cash Credit			
1.	Andhra Bank	June 28, 2018	500.00	490.88	On demand	N/A
2.	Bank of Baroda	June 19, 2018	1,000.00	989.39	On demand	N/A
3.	Canara Bank	November 29, 2017	1,000.00	992.73	On demand	N/A
4.	Dena Bank	December 21, 2017	1,000.00	0.18	On demand	N/A
5.	Oriental Bank of Commerce	June 6, 2018	500.00	491.35	On demand	N/A
6.	RBL Bank Limited	June 27, 2018	750.00	-	On demand	N/A
7.	Standard Chartered Bank	October 29, 2015	1,000.00	-	On demand	N/A
			Working Capital Demand Loan			
8.	The Hongkong and Shanghai Banking Corporation Limited (HSBC)	May 09, 2018	1,000.00	1,000.00	Repayable monthly	N/A
	TOTAL		**6750.00**	**3964.53**		

Security: *The above facilities are secured by a first pari-passu charge on present and future receivables of the Company except receivables pertaining to capital market exposures, administered through Vistra ITCL (India) Limited, as a security trustee for the lenders pursuant to security trustee agreement executed between the Company, Vistra ITCL (India) Limited and the lenders.*

2. Overdraft against Fixed Deposit ("ODFD") facility availed by our Company

(Rs. in million)

S. No.	Bank	Date of Disbursement	Amount Sanctioned	Amount Outstanding	Repayment date / schedule	Prepayment
1	HDFC Bank	July 14, 2017	5,000.00	4,930.47	On demand	N/A
	Total		**5,000.00**	**4,930.47**		

3. Term Loans availed by our Company

(Rs. in Million)

S. No.	Lender	Date of Sanction	Amount Sanctioned	Amount Outstanding	Final Maturity Date	Repayment schedule	Security	Prepayment
1.	Andhra Bank	November 24, 2015	500.00	500.02	December 14, 2020	Repayable in 2 equal yearly installments after moratorium of 1 year	First *paripassu* charge by way of hypothecation of the standard assets excluding receivable pertaining to capital market exposure with minimum security cover of 1.10 times on the sanction amount.	Prepayment charges as per policy of the Lender.
2.	Bank of Baroda	June 19, 2018	12,500.00	11,875.00	June 25, 2023	Repayable in in 20 quarterly installment from the date of first disbursement	First *paripassu* charge on receivables pertaining to non-capital market exposure with minimum security cover of 1.15 times the sanction amount throughout the tenure of the loan	Nil if the prepaid lock in period of 12-month out of internally generated cash accruals of fresh equity infusion. Otherwise prepayment penalty @2% p. a. for the amount prepaid.
3.	Bank of India	March 27, 2017	2,500.00	996.54	March 29, 2022	Repayable in equal half yearly installments commencing from 36 months from the date of disbursement	First *paripassu* first charge by way of hypothecation of standard receivables (excluding capital market receivables) of the Company along with a minimum security cover of 1.10 times of the sanction amount.	Prepayment penalty at 0.50% of the prepaid loan amount. No prepayment penalty if term loan is prepaid within 30 days from the last interest reset date with prior notice of 3 days.
4.	Canara Bank	October 01, 2013	4,000.00	1,319.99	September 23, 2019	Repayable in 6 equal half yearly installments, after a moratorium period of 2 years.	First *paripassu* charge on standard assets portfolio of receivables (excluding capital market receivables) of the company with the asset	No prepayment penalty

S. No.	Lender	Date of Sanction	Amount Sanctioned	Amount Outstanding	Final Maturity Date	Repayment schedule	Security	Prepayment
							coverage ratio of 1.11 times the sanction amount, along with corporate guarantee extended by IIFL Holdings Limited.	
5.	HDFC Bank	July 07, 2015	500.00	41.67	October 26, 2018	Repayable in 12 equal installments from first disbursement	First *Pari passu* charge on current assets and recievables (except unsecured and capital market), with minimum asset cover of 1.25 times on the sanction amount along with corporate guarantee extended by IIFL holdings Limited.	Prepayment penalty of 1% on the entire amount outstanding shall be applicable at the time of prepayment. No prepayment penalty applicable if term loan prepaid within 15 days of the last interest reset date.
6.	HDFC Bank	May 21, 2018	3,000.00	3,000.00	July 1, 2019	Bullet repayment at the end of 13 months	First *paripassu* charge on entire current assets (book debts)	Prepayment penalty of 1% on the entire amount outstanding shall be applicable at the time of prepayment. No prepayment penalty if term loan prepaid within 15 days of the last interest reset date.
7.	ICICI Bank	September 11, 2018	3,000.00	1,500.00	September 27, 2021	Repayable in 10 quarterly installment after moratorium of 2 quarter from the date of drawdown of respective tranche amounts.	First *paripassu* charge by way of hypothecation of pool of standard assets including loans & advances with minimum security cover of 1.15 times of the sanction amount.	Prepayment Penalty of 1% on the entire amount outstanding shall be applicable at the time of prepayment. However, no prepayment penalty to be levied if the loan is prepaid via internal accruals and/or equity infusion on the date of interest rate reset by giving at least 15 days prior written

S. No.	Lender	Date of Sanction	Amount Sanctioned	Amount Outstanding	Final Maturity Date	Repayment schedule	Security	Prepayment
								notice of the same to the Lender.
8.	Jammu and Kashmir Bank	March 8, 2014	1,000.00	124.87	March 27, 2019	Repayable in eight equal half yearly instalments after 12 months moratorium	First *paripassu* charge on current assets, book debts, receivables, with minimum asset cover of 125% of the loan amount. along with corporate guarantee extended by IIFL Holdings Limited.	Prepayment penalty at the rate 1% of prepaid amount. However, no such prepayment penalty in case of 45 days' notice is given for prepayment.
9.	Jammu and Kashmir Bank	January 11, 2013	500.00	62.49	November 19, 2018	Repayable in eight equal half yearly instalments after 12 months moratorium	First *paripassu* charge on current assets, book debts, receivables, with minimum asset cover of 125% of the loan amount. along with corporate guarantee extended by IIFL Holdings Limited.	Prepayment penalty at the rate 2% of the outstanding amount of the loan.
10.	Karnataka Bank	November 27, 2017	2,000.00	1,499.78	December 26, 2020	Repayable in 12 quarterly installments of Rs.16.67 cr each. Last being Rs. 16.63 cr from date of first disbursement	First *paripassu* charge on standard assets portfolio of mortgage loans, gold loans, medical equipment finance, and other consumer finance receivables with asset cover of 1.1 times of the total sanction amount.	No penalty / charges, if term loan facility is prepaid through internally generated cash accrual and/ or fresh equity infusion. However prepayment charges at the rate 2% shall be charged in case of takeover of liabilities by other banks
11.	Oriental Bank of Commerce	August 11, 2014	2,500.00	624.85	September 15, 2019	Repayable in 8 equal half yearly installments after moratorium of 12 months from the date of first disbursement	First *paripassu* charge on standard receivables (except capital market finance) of the Company, with asset coverage ratio of 1.25 times of the sanction amount, along with Corporate Guarantee issued by IIFL Holdings Limited.	Prepayment charges, as per policy of the Lender.

S. No.	Lender	Date of Sanction	Amount Sanctioned	Amount Outstanding	Final Maturity Date	Repayment schedule	Security	Prepayment
12.	Oriental Bank of Commerce	March 29, 2017	4,000.00	3,000.00	June 27, 2021	Repayable in 4 equal yearly installments at the end of year	First *paripassu* charge by way of hypothecation on the standard receivable (except capital market) with a security cover of 1.15 times of the sanction amount.	No prepayment penalty if prepayment is made via internal accruals and/or equity infusion during the tenor of the loan by giving at least 15 days prior written notice of the same to the Lender.
13.	Punjab and Sind Bank	November 15, 2017	6,000.00	5999.95	December 06, 2022	Repayable in 8 equal annual installments after moratorium of 12 months from the date of disbursement	First *paripassu* charge by way of hypothecation on the receivables, with minimum asset cover of 1.1 times of the loan amount.	No prepayment penalty if prepayment is made via internal accruals and/or equity infusion during the tenor of the loan by giving at least 15 days prior written notice of the same to the Lender.
14.	Punjab National Bank	March 16, 2016	1,000.00	333.22	February 20, 2019	Repayable in 3 equal installments, on the 25th, 30th & 35th months' after moratorium of 24 months from the date of first disbursement.	First *paripassu* charge by way of hypothecation on the standard receivables eligible of finance (excluding capital market or real estate operations) with minimum asset coverage ratio of 1.25 times of the sanction amount, along with corporate guarantee extended by IIFL Holdings Limited.	No prepayment penalty if prepayment is made via internal accruals and/or equity infusion during the tenor of the loan by giving at least 30 days prior written notice to the Lender.
15.	Punjab National Bank	February 12, 2015	2,000.00	749.95	January 25, 2020	Repayable in 16 equal quarterly installments with 1 year moratorium from the date of first disbursement	First *paripassu* charge by way of hypothecation on the standard receivables eligible of finance (excluding capital market or real estate operations) with minimum asset coverage ratio of 1.25 times of the sanction amount.	Company can prepay the loan in case of increase of base rate, by giving 7 days' notice in advance within a period of one month. In all other case prepayment penalty at the rate 1% will be charged on the

S. No.	Lender	Date of Sanction	Amount Sanctioned	Amount Outstanding	Final Maturity Date	Repayment schedule	Security	Prepayment
								amounts prepaid.
16.	Small Industries Development Bank of India (SIDBI)	March 1, 2018	5,000.00	5,000.00	July 10, 2023	Repayable in 20 quarterly installment, commencing from 10th day of the month immediately after the expiry of 6 months from the date of first disbursement	First *paripassu* charge by way of hypothecation of book debts and receivables of the company of the company with minimum asset cover of 1.1 times the sanction amount.	No prepayment of the outstanding principal amount of loan in full or part permitted before the due dates except after obtaining prior approval of SIDBI in writing which may be granted subject to such conditions as SIDBI may deem fit including levy of interest (currently 1-3%) on such prepayment. However, at the time of reset of spread or change of benchmark i.e., 3 month SBI MCLR) by SIDBI, the borrower can within 2 working days from the date of intimation of new spread and / or benchmark (excluding the date of intimation) serve a notice and prepay the loan without any pre-payment penalty/charges within 2 working days from the date of serving the notice to SIDBI or on reset date whichever is later.
17.	State Bank of India (erstwhile State Bank of Patiala)	February 11, 2016	1,000.00	599.57	February 22, 2021	Repayable in 5 equal annual installments after moratorium of 12 months and at the end of	First *paripassu* charge on all the book debts, outstandings, money receivables, claims and bills of borrower	Standard prepayment penalty at the rate 2% on the amount prepaid. No prepayment charge on

S. No.	Lender	Date of Sanction	Amount Sanctioned	Amount Outstanding	Final Maturity Date	Repayment schedule	Security	Prepayment
						every year there after	along with loan assets of the borrower net of non-performing assets along with security cover of 1.15 times of the sanction amount. .	interest reset or with 15 days' notice if revised interest communicated is not acceptable by the company. Further no prepayment penalty if loan is prepaid from internal accruals supported by Chartered Accountant certificate and by giving notice of 15 days.
18.	Syndicate Bank	September 24, 2014	2,000.00	500.00	September 29, 2019	Repayable in 8 equal half yearly installments after moratorium period of 12 months from the date of first disbursement	First *paripassu* charge by way of hypothecation on the standard receivables (excluding capital market receivables) of the company with asset cover of 1.33 times of the sanction amount along with corporate Guarantee extended by IIFL Holdings Limited.	Prepayment charges, as per norms of the Lender.
19.	Syndicate Bank	May 15, 2018	1,500.00	1,500.00	July 11, 2023	Repayment in 8 equal half yearly installments after moratorium period of 12 months from the dated of first disbursement.	First *paripassu* charge by way of hypothecation on the standard receivables of the company with asset cover of 1.15 times of the sanction amount.	No prepayment penalty if the prepayment is made out of Equity infusion/ Internal Reserves or surplus, otherwise as per the terms of the Lender.
	Total		**54,500.00**	**39,227.90**				

Penalty: The loan documentation executed with respect to the term loans mentioned above set out penalty provisions for compliance with the provisions of the loan documents. Such provisions include, but are not limited to:

a. Additional interest of upto 2% per month on overdue portion of the amount for the period of default in case of any delay / default in payment of principal or interest.

b. Penalty of upto 2% per month in cases of pre-payment of the loan / facility.

c. Penalty of 1% per annum in case the Company fails to obtain and keep alive external credit rating form any one of the RBI approved agency.

d. Penalty of upto 2% per annum in case of breach of terms and conditions of the loan agreements.

e. Penalty of upto 2% per annum in case of non-creation of security as per the loan agreements.

Rescheduling: None of the loan documents provides for rescheduling provision.

Events of Default: The facility documents executed by the Company stipulates certain events as "*Events of Default*", pursuant to which the Company may be required to immediately repay the entire loan facility availed by it and be subject to additional penalties by the relevant lenders. Such events include, but are not limited to:

a. Any of the installment amount referred to herein above being unpaid on the due date for payment thereof.

b. Any representation and/or the statements made by the Company in the application being found to be incorrect and / or the Company committing any breach or default in the performance or observance of any terms, conditions or provisions contained in the said application and/or the letter of sanction.

c. Any deterioration or impairment of the security provided by the Company to the lenders or any decline or depreciation in the value or market price thereof which causes the security rendered to become unsatisfactory as to character or value.

d. Company entering into any arrangement or composition with Company's creditors or committing any act the consequence of which may lead to Company being ordered to be wound up.

e. Any process being issued against the Company for execution of a decree and/or for attachment before judgment resulting in any of the property belonging to and/or under the control of the Company being attached.

f. Any order being made or a resolution being passed for the winding up of the Company.

g. A receiver being appointed of the entire properties or any part thereof belonging to or under the control of Company.

h. If any attachment, distress, execution or other process is initiated against the Company or any of the security provided by the Company is enforced.

i. If the Company enters into amalgamation, reorganisation or reconstruction or there is a change of control of the Company without the prior consent of the lenders/debenture trustee in writing.

j. The Company ceasing or threatening to cease to carry on business or giving or threatening to give notice of Company's intention to do so.

k. A firm of accountants appointed by the lender certifying that the liabilities of the Company exceed the assets owned and/or under the control of the Company and/or that the Company is carrying on business in loss.

l. The occurrence of any event or circumstances which would or is likely to prejudicially or adversely affect in any manner the capacity of the Company to either repay the said advance or to carry out the said proposal.

m. Failure of the Company to pay on the due date upon which any amount is due and payable whether by way of interest, principal or any other sum stated as payable under this facility.

n. If the borrower commits any breach of or omit to observe any of its covenants, obligations or undertakings under the term loan and in case of any such breach or omission capable of being remedied, such breach or omission is not remedied within 30 days.

4. Secured Redeemable Non-Convertible Debentures

4.1 Our Company has issued on private placement basis, secured, redeemable, non-convertible debentures of face value of Rs. 10,00,000 each under various series of which Rs. 25,970 million is cumulatively outstanding as on September 30, 2018, the details of which are set forth below:

(Rs. in millions)

S.no.	Debenture Name / Series	ISIN	Amount Outstanding	Date of Allotment	Maturity Date	Coupon (p.a.) in %	Tenor / Period (Days)	Credit Rating
1.	11% Non-Convertible Debentures of Face value Rs.1,000,000 Each Redeemable on March 6, 2019 at par.	INE866I07628	100.00	March 6, 2014	March 6, 2019	11.00%	1826	CARE AA
2.	10.20% Redeemable Non-Convertible Debentures of Face Value Rs.1,000,000 Each Redeemable on November 3, 2020 at par	INE866I07750	2,875.00	November 3, 2014	November 3, 2020	10.20%	2192	CARE AA
3.	10.20% Redeemable Non-Convertible Debentures of Face Value Rs.1,000,000 Each Redeemable on November 3, 2021at par	INE866I07750	2,875.00	November 3, 2014	November 3, 2021	10.20%	2557	CARE AA
4.	Zero Coupon Non-Convertible Debentures of Face Value Rs.1,000,000 each redeemed on October 17, 2018 at premium	INE866I07AJ7	30.00	October 16, 2015	October 17, 2018	Zero Coupon	1097	[ICRA] AA
5.	Zero Coupon Non-Convertible Debentures of Face Value Rs.1,000,000 each redeemed on October 3, 2018 at premium	INE866I07AH1	130.00	October 16, 2015	October 3, 2018	Zero Coupon	1083	[ICRA] AA

S.no.	Debenture Name / Series	ISIN	Amount Outstanding	Date of Allotment	Maturity Date	Coupon (p.a.) in %	Tenor / Period (Days)	Credit Rating
6.	Zero Coupon Non Convertible Debentures of Face Value Rs.1,000,000 each redeemed on October 25, 2018 at premium	INE866I07AK5	30.00	December 3, 2015	October 25, 2018	Zero Coupon	1057	[ICRA] AA
7.	Zero Coupon Non Convertible Debentures of Face Value Rs.1,000,000 each redeemable on November 8, 2018 at premium	INE866I07AL3	30.00	December 3, 2015	November 8, 2018	Zero Coupon	1071	[ICRA] AA
8.	Zero Coupon Non-Convertible Debentures of Face Value Rs.1,000,000 each redeemable on November 27, 2018 at premium	INE866I07AM1	60.00	December 3, 2015	November 27, 2018	Zero Coupon	1090	[ICRA] AA
9.	Market linked Coupon Non-Convertible Debentures of Face Value Rs.1,000,000 each redeemable on January 18, 2019 at par	INE866I07AP4	50.00	December 18, 2015	January 18, 2019	Market linked	1127	PP MLD [ICRA] AA
10.	Zero Coupon Non-Convertible Debentures of Face Value Rs.1000000 each redeemable on December 12, 2018 at premium	INE866I07AT6	34.00	January 18, 2016	December 12, 2018	Zero Coupon	1059	[ICRA] AA
11.	Zero Coupon Non-Convertible Debentures of Face Value	INE866I07AU4	34.00	January 18, 2016	December 26, 2018	Zero Coupon	1073	[ICRA] AA

S.no.	Debenture Name / Series	ISIN	Amount Outstanding	Date of Allotment	Maturity Date	Coupon (p.a.) in %	Tenor / Period (Days)	Credit Rating
	Rs.1000000 each redeemable on December 26, 2018 at premium							
12.	Zero Coupon Non-Convertible Debentures of Face Value Rs.1000000 each redeemable on January 16, 2019 at premium	INE866I07AV2	44.00	January 18, 2016	January 16, 2019	Zero Coupon	1094	[ICRA] AA
13.	Zero Coupon Non-Convertible Debentures of Face Value Rs.1000000 with maturity date of April 20, 2020 at premium	INE866I07BB2	1,500.00	October 3, 2016	April 20, 2020	Zero coupon	1295	[ICRA] AA
14.	Zero Coupon Non-Convertible Debentures of Face Value Rs.1000000 with maturity date of September 12, 2019 at premium	INE866I07BD8	65.00	October 6, 2016	September 12, 2019	Zero coupon	1071	[ICRA] AA & CARE AA
15.	Zero Coupon Non-Convertible Debentures of Face Value Rs.1000000 with maturity date of September 24, 2019 at premium	INE866I07BE6	105.00	October 6, 2016	September 24, 2019	Zero coupon	1083	[ICRA] AA & CARE AA
16.	9.30 % Redeemable Non-Convertible Debentures of Face Value Rs1,000,000 Each Redeemable on April 5, 2019 at par	INE866I07BC0	2,000.00	October 6, 2016	April 5, 2019	9.30%	911	[ICRA] AA &CARE AA

S.no.	Debenture Name / Series	ISIN	Amount Outstanding	Date of Allotment	Maturity Date	Coupon (p.a.) in %	Tenor / Period (Days)	Credit Rating
17.	9.20 % Redeemable Non-Convertible Debentures of Face Value Rs.1,000,000 Each Redeemable on November 4, 2019 at par	INE866I07BG1	300.00	November 4, 2016	November 4, 2019	9.20%	1095	[ICRA] AA
18.	Zero Coupon Redeemable-Non Convertible Debentures of Face Value Rs.1,000,000 Each Redeemable on November 12, 2019 at premium	INE866I07BI7	50.00	January 5, 2017	November 12, 2019	Zero coupon	1041	[ICRA] AA
19.	Zero Coupon Redeemable Non-Convertible Debentures of Face Value Rs.1,000,000 Each Redeemable on April 7, 2020 at premium	INE866I07BH9	110.00	January 5, 2017	April 7, 2020	Zero coupon	1188	[ICRA] AA
20.	8.87 % Redeemable Non-Convertible Debentures of Face Value Rs.1,000,000 Each Redeemable on April 30, 2020 at par	INE866I07BJ5	5,000.00	March 31, 2017	April 30, 2020	8.87% (with annual reset)	1126	[ICRA] AA & CARE AA
21.	7.85 % Redeemable Non-Convertible Debentures of Face Value Rs.1,000,000 Each Redeemable on August 26, 2019 at par	INE866I07BK3	1,250.00	September 25, 2017	August 26, 2019	7.85%	700	[ICRA] AA
22.	8.00 % Redeemable Non-	INE866I07BL1	2,500.00	September 29, 2017	April 29, 2021	8.00%	1308	[ICRA] AA &

S.no.	Debenture Name / Series	ISIN	Amount Outstanding	Date of Allotment	Maturity Date	Coupon (p.a.) in %	Tenor / Period (Days)	Credit Rating
	Convertible Debentures of Face Value Rs.1,000,000 Each Redeemable on April 29, 2021 at par							CARE AA
23.	8.55% Redeemable Non-Convertible Debentures of Face Value Rs.1,000,000 Each Redeemable on June 6,2019 at par	INE866I07BM9	1,000.00	November 21, 2017	May 21, 2019	8.55% (with quarterly reset)	546	[ICRA] AA
24.	7.75% Redeemable Non-Convertible Debentures of Face Value Rs.1,000,000 Each Redeemable on 6-Jun-2019 at par	INE866I07BN7	1,500.00	December 6, 2017	June 6, 2019	7.75%	547	[ICRA] AA
25.	Zero coupon Redeemable Non-Convertible Debentures of Face Value Rs.1,000,000 Each Redeemable on April 30, 2021 at premium	INE866I07BO5	100.00	March 14, 2018	April 30, 2021	Zero coupon	1143	[ICRA] AA
26.	8.60% Redeemable Non-Convertible Debentures of Face Value Rs.1,000,000 Each Redeemable on July 5, 2019 at par	INE866I07BP2	1,000.00	March 27, 2018	July 5, 2019	8.60% (with quarterly reset)	465	[ICRA] AA
27.	9.25% Redeemable Non-Convertible Debentures of Face Value Rs.1,000,000	INE866I07BQ0	260.00	June 25, 2018	May 25, 2021	9.25%	1065	[ICRA] AA

S.no.	Debenture Name / Series	ISIN	Amount Outstanding	Date of Allotment	Maturity Date	Coupon (p.a.) in %	Tenor / Period (Days)	Credit Rating
	Each Redeemable on May 25, 2021 at par							
28.	Redeemable Non-Convertible Debentures of Face Value Rs.1,000,000 Each 10 year G-Sec price MLD - Redeemable on April 21, 2020 at par	INE866I07BR8	500.00	September 6, 2018	April 21, 2020	Market Linked	593	PP MLD [ICRA] AA
29.	Redeemable Non-Convertible Debentures of Face Value Rs.1,000,000 Each 10yr G-Sec price MLD 2020 - Redeemable on April 27, 2020 at par	INE866I07BS6	263.00	September 11, 2018	April 27, 2020	Market Linked	594	PP MLD [ICRA] AA
30.	Redeemable Non-Convertible Debentures of Face Value Rs.1,000,000 Each 10yr G-Sec price MLD 2020 - Redeemable on January 10, 2020 at par	INE866I07BT4	175.00	September 26, 2018	January 10, 2020	Market Linked	471	PP MLD [ICRA] AA
31.	9.98% Secured Redeemable Non-Convertible Debentures of Face Value Rs.1,000,000 Each - Redeemable on October 28, 2020 at par	INE866I07BV0	1,000.00	September 28, 2018	October 28, 2020	9.98%	761	[ICRA] AA
32.	9.98% Secured Redeemable Non - Convertible Debentures of	INE866I07BU2	1,000.00	September 28, 2018	September 28, 2020	9.98%	731	[ICRA] AA

S.no.	Debenture Name / Series	ISIN	Amount Outstanding	Date of Allotment	Maturity Date	Coupon (p.a.) in %	Tenor / Period (Days)	Credit Rating
	Face Value Rs.1,000,000 Each - Redeemable on September 28, 2020 at par							
	TOTAL		**25,970.00**					

**Above debentures are fully secured by first pari passu charge on receivables of the Company/ current assets / book debts, and first pari passu charge on the identified immovable property.*

4.2 The Company had made public issue of listed secured redeemable non-convertible debentures of face value Rs. 1000 each of which Rs. 2,554.97 million is currently outstanding. The details of the outstanding series as on September 30, 2018 are set forth below:

(Rs. in million)

S.no.	Debenture Name / Series	ISIN	Principal Outstanding	Date of Allotment	Maturity Date	Coupon (p.a.) in %	Tenor	Credit Rating
1.	12% Redeemable Non-Convertible Debentures Option IV of Face Value Rs.1,000 Each Redeemable on 30-Sep-2018 at par	INE866I07602	247.59	September 30, 2013	October 1, 2018	12.00%	1827	CARE AA / BRICKWORK AA+
2.	12% Secured Redeemable Non-Convertible Debentures Option III of Face Value Rs.1,000 Each Redeemable on 30-Sep-2018 at par	INE866I07594	2,307.38	September 30,2013	October 1,2018	12.00%	1827	CARE AA / BRICKWORK AA+
		TOTAL	**2,554.97**					

5. Collateralised borrowing and lending obligation

As on September 30, 2018 our outstanding Collateralised borrowing and lending obligation amounts to Rs. 5,200 million.

B. Details of unsecured borrowings

Our Company has Rs.74,756.05 million unsecured borrowings as on September 30, 2018. The details of the individual borrowings are set out below:

1. Commercial Papers

Our Company has issued Commercial Paper aggregating to a total face value of Rs. 63,590.00 million as on September 30, 2018. The details of the Commercial Paper are set forth below:

(Rs.in Million)

S. No.	ISIN	Start Date	End Date	Amount Outstanding
1.	INE866I14VR2	October 31, 2017	October 30, 2018	1,000
2.	INE866I14YM7	May 22, 2018	May 21, 2019	1,000
3.	INE866I14ZC5	August 9, 2018	October 8, 2018	2,500
4.	INE866I14ZD3	August 9, 2018	November 5, 2018	2,500
5.	INE866I14ZE1	August 10, 2018	November 9, 2018	4,000
6.	INE866I14ZF8	August 13, 2018	November 1, 2018	5,000
7.	INE866I14ZG6	August 13, 2018	November 12, 2018	5,500
8.	INE866I14ZK8	August 14, 2018	October 31, 2018	500
9.	INE866I14ZI2	August 16, 2018	November 15, 2018	1,000
10.	INE866I14ZI2	August 16, 2018	November 15, 2018	4,000
11.	INE866I14ZG6	August 16, 2018	November 12, 2018	90
12.	INE866I14ZD3	August 16, 2018	November 5, 2018	2,000
13.	INE866I14ZH4	August 16, 2018	October 15, 2018	1,000
14.	INE866I14ZL6	August 21, 2018	November 6, 2018	5,000
15.	INE866I14ZM4	August 21, 2018	November 19, 2018	4,500
16.	INE866I14ZN2	August 27, 2018	October 26, 2018	2,000
17.	INE866I14ZI2	August 27, 2018	November 15, 2018	500
18.	INE866I14ZP7	September 18, 2018	November 16, 2018	2,000
19.	INE866I14ZP7	September 18, 2018	November 16, 2018	3,000
20.	INE866I14ZP7	September 18, 2018	November 16, 2018	500
21.	INE866I14ZI2	September 18, 2018	November 15, 2018	2,000
22.	INE866I14ZP7	September 19, 2018	November 16, 2018	3,250
23.	INE866I14ZQ5	September 21, 2018	November 20, 2018	5,000
24.	INE866I14ZR3	September 21, 2018	December 18, 2018	2,000
25.	INE866I14ZS1	September 25, 2018	November 22, 2018	3,000
26.	INE866I14ZT9	September 28, 2018	October 5, 2018	750
			Total	**63,590**

2. Loan from Directors and Relatives of Directors

Our Company does not have any borrowings from directors and relatives of directors as on September 30, 2018 which are in the nature of demand loans and are unsecured.

3. Subordinated Debts

3.1 Private Placement

Our Company has issued on private placement basis, unsecured, redeemable, non-convertible debentures under various series of which Rs. 4,932.40 million is cumulatively outstanding as on September 30, 2018, the details of which are set forth below:

(Rs. in million)

S. no.	Debenture Name / Series	ISIN	Amount Outstanding	Date of Allotment	Redemption Date	Coupon (p.a.) In %	Tenor (Days)	Rating
1.	12.15% Non-Convertible Debentures of Face value Rs.1,000,000 Each Redeemable on 30-Aug-2022 at par	INE866I08121	50.00	August 31, 2012	August 30, 2022	12.15%	3651	CRISIL AA & [ICRA] AA

S. no.	Debenture Name / Series	ISIN	Amount Outstanding	Date of Allotment	Redemption Date	Coupon (p.a.) In %	Tenor (Days)	Rating
2.	12.15% Non-Convertible Debentures of Face value Rs.1,000,000 Each Redeemable on 30-Aug-2022 at par	INE866I08121	150.00	August 31, 2012	August 30, 2022	12.15%	3651	CRISIL AA & [ICRA] AA
3.	12.20% Non-Convertible Debentures of Face value Rs.1,000,000 Each Redeemable on 4-Nov-2022 at par	INE866I08162	230.00	November 5, 2012	November 4, 2022	12.20%	3651	CRISIL AA & [ICRA] AA
4.	12.10% Non-Convertible Debentures of Face value Rs.1,000,000 Each Redeemable on 24-May-2023 at par	INE866I08170	100.00	May 24, 2013	May 24, 2023	12.10%	3652	[ICRA] AA
5.	11.25% Non-Convertible Debentures of Face value Rs.1,000,000 Each Redeemable on 4-Sep-2020 at par	INE866I08196	2,000.00	September 5, 2014	September 4, 2020	11.25%	2191	[ICRA] AA
6.	10.75% Non-Convertible Debentures of Face value Rs.1,000,000 Each Redeemable on 3-June-2020 at par	INE866I08204	100.00	March 25, 2015	June 3, 2020	10.75%	1897	[ICRA] AA
7.	10.75% Non-Convertible Debentures of Face value Rs.1,000,000 Each Redeemable on 30-Apr-2020 at par	INE866I08212	450.00	March 31, 2015	April 30, 2020	10.75%	1857	[ICRA] AA
8.	10.75% Non-Convertible Debentures of Face value Rs.1,000,000 Each Redeemable on 10-Sept-2021 at par	INE866I08220	200.00	September 11, 2015	September 10, 2021	10.75%	2191	[ICRA] AA &Brickwork AA+

S. no.	Debenture Name / Series	ISIN	Amount Outstanding	Date of Allotment	Redemption Date	Coupon (p.a.) In %	Tenor (Days)	Rating
9.	10.50% Non-Convertible Debentures of Face value Rs.1,000,000 Each Redeemable on 16-Sept-2021 at par	INE866I08238	150.00	September 16, 2015	September 16, 2021	10.50%	2192	[ICRA] AA & Brickwork AA+
10.	8.7% Non-Convertible Debentures series N6 of Face value Rs.1,000,000 Each Redeemable on 19-Nov-2027 at par	INE866I08246	1,000.00	November 21, 2017	November 19, 2027	8.70%	3650	[ICRA] AA + CARE AA
11.	Unsecured Redeemable Non-Convertible Debentures IIFL MLD-2028 Face value Rs.1,000,000 Each Redeemable on 25-Aug-2028 at par	INE866I08253	500.00	August 28, 2018	August 25, 2028	Market linked	3650	PP MLD [ICRA] AA
12.	12.75% Non-Convertible Debentures of Face value of Rs.1,000 Each Redeemable on 18-Jan-2019 (SBMIB I – 7 years) at par	N/A	1.16	January 18, 2012	January 18, 2019	12.75%	2552	CRISIL AA / [ICRA] AA
13.	12.75% Non-Convertible Debentures of Face value Rs.1,000 Each Redeemable on 7-Feb-2019 (SBMIB II – 7 years) at par	N/A	0.25	February 7, 2012	February 7, 2019	12.75%	2572	CRISIL AA / [ICRA] AA
14.	12.75% Non-Convertible Debentures of Face value Rs.1,000 Each Redeemable on 7-Feb-2019 (SBMIB III – 7 years) at par	N/A	0.03	February 7, 2012	February 7, 2019	12.75%	2572	CRISIL AA / [ICRA] AA
15.	12.75% Non-Convertible Debentures of Face value Rs. 1,000 Each Redeemable on 23-Feb-2019	N/A	0.47	February 23, 2012	February 23, 2019	12.75%	2588	CRISIL AA / [ICRA] AA

S. no.	Debenture Name / Series	ISIN	Amount Outstanding	Date of Allotment	Redemption Date	Coupon (p.a.) In %	Tenor (Days)	Rating
	(SBMIB IV – 7 years) at par							
16.	12.75% Non-Convertible Debentures of Face value Rs. 1,000 Each Redeemable on 2-Mar-2019 (SBMIB V – 7 years) at par	N/A	0.09	March 2, 2012	March 2, 2019	12.75%	2595	CRISIL AA / [ICRA] AA
17.	12.75% Non-Convertible Debentures of Face value Rs.1,000 Each Redeemable on 30-Mar-2019 (SBMIB VI - 7 years) at par	N/A	0.35	March 30, 2012	March 30, 2019	12.75%	2623	CRISIL AA / [ICRA] AA
18.	12.75% Non-Convertible Debentures of Face value Rs. 1,000 Each Redeemable on 30-Mar-2019 (SBMIB VII – 7 years) at par	N/A	0.05	March 30, 2012	March 30, 2019	12.75%	2623	CRISIL AA /[ICRA] AA
	Total		**4932.40**					

3.2 Rupee Denominated Bonds

Our Company has issued rupee denominated masala bonds of face value of Rs. 10,000,000 each of which Rs. 3,250 million is cumulatively outstanding as on September 30, 2018, the details of which are set forth below:

S. no.	Name / Series	Principal Outstanding (in Rs. million)	Date of Allotment	Redemption Date	Coupon (p.a.) in %	Tenor (Days)	Rating
1.	9.00% Rupee denominated bond of face value Rs. 10,000,000 Each Redeemable on June 28,2028 at par	3,250.00	June 28, 2018	June 28, 2028	9.00%	3653	NA
	Total	**3,250.00**					

C. Details of any inter-corporate loans, deposits and other borrowings

(Rs. in million)

Sr No.	Company	Amount Outstanding
1	IIFL Facilities Services Limited	2,983.65

D. Servicing behaviour on existing debt securities, payment of due interest on due dates on financing facilities or securities

In the past 5 years preceding the date of this Draft Shelf Prospectus, there has been no delay and /or default in servicing of debt/interest or in payment of principal or interest on any financing facilities or term loan or debt security including corporate guarantee issued by the Company in the past.

E. The amount of corporate guarantee issued by the Company along with the name of the counter party on behalf of whom it has been issued

The Company has issued corporate guarantee on behalf of Samasta Microfinance Limited as on September 30, 2018, the details of which are set out below:

(In Rs. million)

Company Name / Bank Name	Nature of Facility	Sanctioned	Outstanding
Standard Chartered Bank	Term Loan	450.00	387.50
Standard Chartered Bank	Cash Credit	50.00	-

F. List of top 10 Debenture Holders (secured and unsecured) as on September 30, 2018:

S.no.	Name	Total Value (Rs. in Million)
1	Bank of Baroda	7,500
2	Life Insurance Corporation of India P & GS Fund	5,750
3	CDC Group Plc	3,250
4	Standard Chartered Bank	2,500
5	Citibank N.A.	2,000
6	ICICI Prudential Life Insurance Company Limited	1,900
7	HDFC Trustee Company Limited (HDFC Mutual Fund)	1,500
8	Kotak Mahindra Bank Limited	1,250
9	ICICI Prudential Mutual Fund	1,250
10	UTI Mutual Fund	1,107

G. Details of any outstanding borrowings taken/ debt securities issued where taken/ issued (a) for consideration other than cash, whether in whole or in part, (b) at a premium or discount, or (c) in pursuance of an option as on September 30, 2018.

Our Company has issued 9.35% Unsecured Redeemable Non-Convertible Debentures face value of Rs. 1,000,000 each amounting to Rs. 500.00 million in pursuance of call option from the end of 69th month and 9.98% Secured Redeemable Non- Convertible Debentures of Face Value Rs.1,000,000 Each - Redeemable on 28-Oct-2020 amounting to Rs. 1000.00 million in pursuance of call and put options from the end of 3rd month and monthly thereafter.

Other than the securities mentioned above, our Company has nil outstanding borrowings taken / debt securities issued where taken / issued (a) for consideration other than cash, whether in whole or in part, (b) at a premium or discount, or (c) in pursuance of an option as on September 30, 2018.

H. Details of rest of borrowings if any, including hybrid debt instruments such as foreign currency convertible bonds or convertible debentures and preference shares as on September 30, 2018

Our Company does not have any other borrowings including hybrid debt instruments, such as foreign currency convertible bonds or convertible debentures and preference shares, as on September 30, 2018.

Restrictive covenants under the financing arrangements:

The Company requires the prior written consent of lenders/debenture trustee to undertake the following actions:

a. Change or in any way alter the capital structure.

b. Effect any scheme of amalgamation or reconstruction.

c. Effect any change in control of the Company

d. Implement a new scheme of expansion or take up an allied line of business or manufacture.

e. Declare a dividend or distribute profits after deduction of taxes, except where the instalments or principal and interest payable to the lenders in respect of the aforesaid arrangements are being paid regularly and there are no irregularities whatsoever in respect of any of the aforesaid arrangements.

f. Enter into contractual obligations of a long-term nature or affecting the company financially to a significant extent.

g. Permit any transfer of the controlling interest or make any drastic change in the management set-up.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS

Our Company, Directors, Promoter, Subsidiaries and our group companies are subjected to various legal proceedings from time to time, mostly arising in the ordinary course of its business. The legal proceedings are initiated by us and also by customers and other parties. These legal proceedings are primarily in the nature of (a) arbitration petitions (b) civil suits (c) criminal complaints, (d) consumer complaints, (e) tax matters and (f) petitions pending before appellate authorities. We believe that the number of proceedings in which we are involved in is not unusual for a company of our size in the context of doing business in India. Except as disclosed below, there is no outstanding litigation including, suits, criminal or civil prosecutions and taxation related proceedings against our Company, Subsidiaries, Promoters, Directors and group companies that would have a material adverse effect on our operations or financial position.

Effective from October 31, 2018, the Board of Directors of our Company has adopted policy for determination of materiality for disclosure of events or information ("**Materiality Policy**"). The Materiality Policy sets out that all pending litigation involving our Company, Promoter, Directors, Subsidiaries and group companies, other than criminal proceedings and taxation matters (which would be disclosed in a consolidated manner), would be considered 'material' for the purposes of disclosure in this Draft Shelf Prospectus if: (i) the monetary amount of claim by or against the entity or person in any such pending litigation is in excess of an amount of Rs. 10 million or 2% of the networth of our Company as on March 31, 2018 whichever is less, or (ii) any such litigation or regulatory action the outcome of which has a bearing on the business, operations, prospects or reputation of our Company, irrespective of the amount involved in such litigation.

Except as disclosed below, there are no pending proceedings pertaining to:

i. matters likely to affect operations and finances of our Company, Promoter, Directors, group companies, or any other person, whose outcome could have a material adverse effect on our Company, including disputed tax liabilities and contingent liabilities of any nature;

ii. any default and non-payment of statutory dues;

iii. litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against Promoters during the last five years immediately preceding the date of the issue of this Draft Shelf Prospectus and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;

iv. any material fraud committed against our Company in the last five years;

v. there are no failures or defaults to meet statutory dues, institutional dues and dues towards instrument holders including holders of debentures, fixed deposits and arrears on cumulative preference shares, etc., by our Company;

vi. pending proceedings initiated against our Company for economic offences; and

vii. inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013, or any previous companies law (including where there were any prosecutions filed) and fines imposed or compounding of offences by our Company in the last five years immediately preceding the year of issue of this Draft Shelf Prospectus against our Company and our Subsidiaries fines imposed on or compounding of offences done by our Company and our Subsidiaries in the last five years immediately preceding the year of this Draft Shelf Prospectus.

1. Material litigations and regulatory actions involving our Company

(a) As on the date of this Draft Shelf Prospectus, following are material litigations in our Company:

(i) Criminal Litigation

By our Company

A. A complaint was filed by Praveen Murthy at the Cubbon Park Police Station, Bangalore against certain third parties namely Ramesh Mangoji & Others suspected alleging involvement in the unauthorised sale and auction of gold jewels, who were in no way connected with our Company. However, a storage room containing 63 kilograms of gold at the Bangalore gold loan office of our Company, was sealed by the police on September 6, 2014 in connection with the investigation of the said complaint. Aggrieved by the action of the police, our Company filed a writ petition dated September 30, 2014 before the Karnataka High Court requesting the court to direct the police to release the gold. During the pendency of the writ petition, the police vide its letter dated January 5, 2015 addressed to our Company, permitted the auction of the gold under the supervision of one of their investigating officers. The gold was duly auctioned. The writ petition is presently pending before the High Court of Karnataka.

B. Our Company has filed 14280 proceedings against various borrowers under Section 138 of the Negotiable Instruments Act, 1881 and/or Section 25 of the Payment and Settlement Systems Act, 2007 for dishonour of cheques / electronic clearing system in various courts, involving an amount of approximately Rs. 4013.82 million. The cases are pending before various courts at various stages of adjudication.

C. In relation to our gold loan, commercial vehicle and home loan portfolio, the Company has lodged 49 first information reports ("**FIRs**") against various borrowers for offences under Sections 395, 405, 406, 409, 415, 419, 420, 441, 447, 467, 468, 471, 120(b) and 34 of Indian Penal Code, 1860, involving a cumulative amount of Rs.374.70 million. The said FIRs are under investigation by various police stations.

Against our Company

A. Arunava Patra ("**Complainant**") filed a criminal complaint bearing number C.R. No. 296/11 before the Learned Chief Judicial Magistrate, Paschim Medinipur ("**Complaint**"), against our Company under Section 200 of the Code for Criminal Procedure, 1973 levelling charges under Section 120B and 467 of the Indian Penal Code, 1860 and Sections 163 (4), 196 (3), 301 (5) and 372A (6) of the Companies Act, 1956 and alleging that our Company has failed to maintain statutory books and registers as required under Companies Act, 1956. Our Company is contesting the said Complaint and the same is pending a final outcome.

B. Manju Rajesh ("**Complainant**") filed a criminal complaint bearing number C.M.P. No. 1479/2018 before the Learned Judicial Magistrate First Class, Chenganoor ("**Complaint**"), against our Company under Section 190 of the Code for Criminal Procedure, 1973 levelling charges under Section 420 and 34 of the Indian Penal Code, 1860 alleging cheating for not returning gold. Our Company is contesting the said Complaint and the same is pending a final outcome.

C. In relation to the home loan/loan against property portfolio, 1 quashing petition under Section 482 of the Code of Criminal Procedure, 1973, has been filed by Zeeshan Ali before the High Court of Bhopal ("**Court**") against the state of Madhya Pradesh wherein our Company has also been made a party. Our Company is contesting the matter and the matter is pending before the Court.

D. In relation to the home loan/loan against property portfolio, 4 revision applications under Section 397 of the Code for Criminal Procedure, 1973 ("**CrPC**") and 1 quashing petition under Section 482 of the CrPC, have been filed by different borrowers before various courts ("**Court**") against our Company. Vide the aforesaid revision application and quashing petitions, the said borrowers have sought revision / quashing of action of dishonor of instrument under Section 138 of the Negotiable Instrument Act, 1881 and/or Section 25 of the Payment and Settlement Systems Act, 2007 initiated by our Company. Our Company is contesting the matters and the matters are pending before the Courts.

(ii) Civil Litigation

By our Company

A. An arbitration proceeding was initiated by our Company on November 2, 2017 before a sole arbitrator at Mumbai, against Apex Diagnostics And Medical Imaging ("**Apex**") under the

provisions of the Arbitration and Conciliation Act, 1996, in relation recovery of Rs. 17.39 million, advanced towards healthcare finance facilities to Apex. The arbitration proceeding is presently under adjudication before the sole arbitrator.

B. An arbitration proceeding was initiated by our Company on November 22, 2017 before a sole arbitrator at Mumbai, against Om Shivam Maternity And Nursing Hospital Private Limited ("**Om Shivam**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 20.66 million advanced towards healthcare finance facility to Om Shivam. The arbitration proceeding is presently under adjudication before the sole arbitrator.

C. An arbitration proceeding was initiated by our Company on December 8, 2017 before a sole arbitrator at Mumbai, against Oxygen Medicare Cancer Care Private Limited ("**Oxygen**")under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 90.01 million advanced towards healthcare finance facility to Oxygen. The arbitration proceeding is presently under adjudication before the sole arbitrator.

D. An arbitration proceeding was initiated by our Company on December 12, 2017 before a sole arbitrator at Patna, against Suviksha Health Care Private Limited ("**Suviksha**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 38.05 million advanced towards healthcare finance facility to Suviksha. The arbitration proceeding is presently under adjudication before the sole arbitrator.

E. An arbitration proceeding was initiated by our Company on January 9, 2018 before a sole arbitrator at Mumbai, against Sparsh Hospitals And Critical Care Private Limited ("**Sparsh**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 40.74 million advanced towards healthcare finance facility to Sparsh. The matter is presently under adjudication before the sole arbitrator.

F. An arbitration proceeding was initiated by our Company on January 12, 2018 before a sole arbitrator at Delhi, against Venkat Sai Health Care Private Limited ("**Venkat Sai**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 11.42 million advanced towards healthcare finance facility to Venkat Sai. The arbitration proceeding is presently under adjudication before the sole arbitrator.

G. An arbitration proceeding was initiated by our Company on January 29, 2018 before a sole arbitrator at Delhi, against Venkat Sai Health Care Private Limited ("**Venkat Sai**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 11.82 million advanced towards healthcare finance facility to Venkat Sai. The arbitration proceeding is presently under adjudication before the sole arbitrator.

H. An arbitration proceeding was initiated by our Company on January 9, 2018 before a sole arbitrator at Mumbai, against Suraksha Health Park Private Limited ("**Suraksha**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 12.13 million advanced towards healthcare finance to Suraksha. The arbitration proceeding is presently under adjudication before the sole arbitrator.

I. An arbitration proceeding was initiated by our Company on March 23, 2018 before a sole arbitrator at Mumbai, against SBR Diagnostic Private Limited ("**SBR**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 18.54 million advanced towards healthcare finance facility to SBR. The arbitration proceeding is presently under adjudication before the sole arbitrator.

J. An arbitration proceeding was initiated by our Company on March 30, 2018 before a sole arbitrator at Mumbai, against Global Health Partners ("**Global**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 26.17 million advanced towards healthcare finance facility to Global. The arbitration proceeding is presently under adjudication before the sole arbitrator.

K. An arbitration proceeding was initiated by our Company on March 30, 2018 before a sole arbitrator at Mumbai, against Advance Diagnostic And Research Centre ("**ADRC**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 22.31 million advanced

towards healthcare finance facility to ADRC. The arbitration proceeding is presently under adjudication before the sole arbitrator.

L. An arbitration proceeding was initiated by our Company on June 25, 2018 before a sole arbitrator at Mumbai, against Dr. Deepak Natarajan ("**Deepak**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 10.52 million advanced towards healthcare finance facility to Deepak. The arbitration proceeding is presently under adjudication before the sole arbitrator.

M. An arbitration proceeding was initiated by our Company on June 25, 2018 before a sole arbitrator at Mumbai, against Midtown Healthcare Private Limited ("**Midtown**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 16.39 million advanced towards healthcare finance facility to Midtown. The arbitration proceeding is presently under adjudication before the sole arbitrator.

N. An arbitration proceeding was initiated by our Company on July 28, 2018 before a sole arbitrator at Mumbai, against Ganadhipati Purushottam Shekhawati Hospital Private Limited ("**Ganadhipati**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 11.24 million advanced towards healthcare finance facility to Ganadhipati. The arbitration proceeding is presently under adjudication before the sole arbitrator.

O. An arbitration proceeding was initiated by our Company on July 28, 2018 before a sole arbitrator at Mumbai, against Ganadhipati Purushottam Shekhawati Hospital Private Limited ("**Ganadhipati**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 20.11 million advanced towards healthcare finance facility to Ganadhipati. The arbitration proceeding is presently under adjudication before the sole arbitrator.

P. An arbitration proceeding was initiated by our Company on July 24, 2018 before a sole arbitrator at Mumbai, against Sai Medisolution Private Limited ("**SMPL**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to the recovery of Rs. 19.82 million advanced towards healthcare finance facility to SMPL. The arbitration proceeding is presently under adjudication before the sole arbitrator.

Q. An arbitration proceeding was initiated by our Company on July 28, 2018 before a sole arbitrator at Mumbai, against Dr. Vivek Ram Milan Choukse under the provisions of the Arbitration and Conciliation Act, 1996, in relation to the recovery of Rs. 10.31 million advanced towards healthcare finance facility to Vivek. The arbitration proceeding is presently under adjudication before the sole arbitrator.

R. An arbitration proceeding was initiated by our Company on July 11, 2018 before a sole arbitrator at Mumbai, against Ayursundra Health Care Private Limited ("**AHCPL**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 25.64 million advanced towards healthcare finance facility to AHCPL and for recovery of the same. The arbitration proceeding is presently under adjudication before the sole arbitrator.

S. An arbitration proceeding was initiated by our Company on July 24, 2018 before a sole arbitrator at Mumbai, against Sri Viswa Medicare Limited ("**Sri Viswa**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 14.35 million advanced towards healthcare finance facility to Sri Viswa. The matter is presently under adjudication before the sole arbitrator.

T. An arbitration proceeding was initiated by our Company on July 11, 2018 before a sole arbitrator at Mumbai, against Ayursundra Health Care Private Limited ("**Ayursundra**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 18.91 million advanced towards healthcare finance facility to Ayursundra. The arbitration proceeding is presently under adjudication before the sole arbitrator.

U. An arbitration proceeding was initiated by our Company on January 7, 2016 before a sole arbitrator at Mumbai, against Pannalal Shivratan Bagdia ("**PSB**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 27.33 million advanced towards home loan facility to PSB. The arbitration proceeding is presently under adjudication before the sole arbitrator.

V. An arbitration proceeding was initiated by our Company on July 7, 2016 before a sole arbitrator at Mumbai, against Bharat Shankarlal Shah ("**BSS**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 41.94 million towards home loan facility advanced to BSS.. The arbitration proceeding is presently under adjudication before the sole arbitrator.

W. An arbitration proceeding was initiated by our Company on July 7, 2016 before a sole arbitrator at Mumbai, against Kiran Anil Kursija ("**KAK**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 38.74 million home loan facility advanced to KAK. The arbitration proceeding is presently under adjudication before the sole arbitrator.

X. An arbitration proceeding was initiated by our Company on July 7, 2018 before a sole arbitrator at New Delhi, against Bolla Nageshwara Rao ("**BNR**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to the recovery of Rs. 18.77 million advanced towards home loan facility to BNR. The arbitration proceeding is presently under adjudication before the sole arbitrator.

Y. An arbitration proceeding was initiated by our Company on August 21, 2018 before a sole arbitrator at Mumbai, against Alleti Shrunitha Educational Society ("**ASES**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to the recovery of Rs. 49.44 million advanced towards healthcare finance facility to ASES. The arbitration proceeding is presently under for adjudication before the sole arbitrator.

Z. An arbitration proceeding was initiated by our Company on July 28, 2018 before a sole arbitrator at Mumbai, against Om Shivam Maternity And Nursing Hospital Private Limited ("**Om Shivam**") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to the recovery of Rs. 15.87 million advanced towards healthcare finance facility to Om Shivam. The arbitration proceeding is presently under adjudication before the sole arbitrator.

AA. An arbitration proceeding was initiated by our Company on August 21, 2018 before a sole arbitrator at Mumbai, against Dr. Dhruv Shamra ("DS") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 25.36 million advanced towards healthcare finance facility to DS. The arbitration proceeding is presently under adjudication before the sole arbitrator.

BB. An arbitration proceeding was initiated by our Company on November 2, 2017 before a sole arbitrator at Mumbai, against Apex Diagnostics And Medical Imaging ("Apex") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 11.24 million towards healthcare finance facility advanced to Apex. The arbitration proceeding is presently under adjudication before the sole arbitrator.

CC. An arbitration proceeding was initiated by our Company on November 22, 2017 before a sole arbitrator at Mumbai, against Amritsar Health And Hospitality Services ("AHHS") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 34.01 million advanced towards healthcare finance facility to AHHS. The matter is presently under adjudication before the sole arbitrator.

DD. An arbitration proceeding was initiated by our Company on September 15, 2017 before a sole arbitrator at Mumbai, against RK Diagnostic Services Private Limited ("RK") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 22.59 million advanced towards healthcare finance facility to RK. The matter is presently under adjudication before the sole arbitrator.

EE. An arbitration proceeding was initiated by our Company on March 20, 2017 before a sole arbitrator at Delhi, against Innovative Life Discoveries Private Limited ("ILDPL") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 13.56 million advanced towards healthcare finance facility ILDPL. The matter is presently under adjudication before the sole arbitrator.

FF. An arbitration proceeding was initiated by our Company on October 30, 2017 before a sole arbitrator at Mumbai, against Sri Navodaya Institute of Medical Sciences Private Limited ("SNI") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 18.74 million

advanced towards healthcare finance facility to SNI. The arbitration proceeding is presently under adjudication before the sole arbitrator.

GG. An arbitration proceeding was initiated by our Company on January 09, 2018 before a sole arbitrator at Mumbai, against Poornachandran Sankara Devar ("PSD") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 16.18 million advanced towards healthcare finance facility to PSD. The arbitration proceeding is presently under adjudication before the sole arbitrator.

HH. An arbitration proceeding was initiated by our Company on February 29, 2016 before a sole arbitrator at Mumbai, against Vasan Health Care Private Limited ("Vasan") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to the recovery of Rs. 95.84 million advanced towards healthcare finance facility to Vasan. The adjudication proceeding is presently under adjudication before the sole arbitrator.

II. An arbitration proceeding was initiated by our Company on February 22, 2017 before a sole arbitrator at Mumbai, against T M Technique And Comfort India Private Limited ("TMT") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 20.14 million advanced towards healthcare finance facility to TMT. The arbitration proceeding is presently under adjudication before the sole arbitrator.

JJ. An arbitration proceeding was initiated by our Company on June 03, 2016 before a sole arbitrator at Delhi, against Bhilai Scan And Research Limited ("BCRL") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 42.53 million advanced towards healthcare finance facility to BCRL. The arbitration proceeding is presently under adjudication before the sole arbitrator.

KK. An arbitration proceeding was initiated by our Company on May 19, 2016 before a sole arbitrator at Delhi, against Gold Field Shiksha Sanstha ("Gold Field") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 91.22 million advanced towards healthcare finance facility to Gold Field. The arbitration proceeding is presently under adjudication before the sole arbitrator.

LL. An arbitration proceeding was initiated by our Company on January 29, 2018 before a sole arbitrator at Mumbai, against Vijay Sai Health Care Private Limited ("VSHPL") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of Rs. 10.62 million towards healthcare facility advanced to VSHPL. The arbitration proceeding under adjudication before the sole arbitrator.

MM. Multiple arbitration proceedings were initiated by our Company on August 19, 2017 before a sole arbitrator at Chennai, against Neeta Tours and Travel ("NTT") under the provisions of the Arbitration and Conciliation Act, 1996, in relation to recovery of a cumulative amount of Rs. 12.58 million advanced towards commercial vehicle finance facility to NTT. An award has been passed in these matters by the sole arbitrator and the same is pending execution.

NN. An execution proceeding was initiated by our Company on April 2, 2016 before the District and Sessions Court, Ahmedabad, to execute the award passed in favour of our Company by the sole arbitrator under the provisions of the Arbitration and Conciliation Act, 1996 in relation to arbitration proceedings initiated against Jitendrakumar Manshuklal Shah ("JMS"), for recovery of Rs. 18.26 million advanced to JMS towards home loan facility/loan against property. The execution proceeding is presently pending before the said court for hearing.

OO. An execution proceeding was initiated by our Company on July 22, 2016 before the District and Sessions Court, Kolhapur, to execute the award passed in favour of our Company by the sole arbitrator under the provisions of the Arbitration and Conciliation Act, 1996 in relation to the arbitration proceeding initiated against Atul Vishwasrao Salunkhe ("AVS") for recovery of Rs. 12.52 million advanced to AVS towards home loan facility/loan against property. The execution proceeding is presently pending before the said court for hearing.

PP. An execution proceeding was initiated by our Company on August 16, 2016 before the District and Sessions Court, Ahmednagar, to execute the award passed in favour of our Company by the sole

arbitrator under the provisions of the Arbitration and Conciliation Act, 1996 in arbitration proceedings filed against Mukund Digambar Mulay ("MDM") for recovery of Rs. 17.93 million advanced to MDM towards home loan facility/loan against property. The arbitration proceeding is presently pending before the said court for hearing.

QQ. An execution proceeding was initiated by our Company on August 4, 2016 before the High Court, Mumbai, to execute the award passed in favour of our Company by the sole arbitrator under the provisions of the Arbitration and Conciliation Act, 1996 against Vanita Luthra ("VL") in arbitration proceedings initiated for recovery of Rs. 13.16 million advanced to VL as home loan facility/loan against property. The matter is presently pending before the said court for hearing.

RR. An execution proceeding was initiated by our Company on February 6, 2017 before the High Court, Mumbai, to execute the award passed in favour of our Company by the sole arbitrator under the provisions of the Arbitration and Conciliation Act, 1996 in arbitration proceedings initiated against Thakare Multitherapy Hospital Private Limited (TMH") for recovery of Rs. 33.06 million advanced to TMH towards home loan facility. The matter is presently pending before the said court for hearing.

Against our Company

A. An application dated February 16, 2017 was filed by N.M. Roof Designers Limited ("NMRD") before the Debt Recovery Tribunal, at Jaipur ("DRT") against our Company challenging the demand notice dated August 29, 2016 and the possession notice dated November 29, 2016 ("possession notice"), issued by our Company. Our Company had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by NMRD, due to non-repayment of Rs. 64.39 million in relation to a loan availed by NMRD. Our Company is contesting the matter and the matter is pending before the DRT.

B. An application dated October 05, 2018 was filed by Om Traders ("OT") before the Debt Recovery Tribunal, at Pune ("DRT") against our Company challenging the demand notice dated February 20, 2017 and the possession notice dated November 06, 2017 ("possession notice"), issued by our Company. Our Company had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by OT, due to non-repayment of Rs. 51.90 million in relation to a loan availed by OT. Our Company is contesting the matter and the matter is pending before the DRT.

C. An application dated September 14, 2018 was filed by Nikhil Kothari ("NK") before the Debt Recovery Tribunal, at Jabalpur ("DRT") against our Company challenging the demand notice dated April 30, 2018 and the possession notice dated July 13, 2018 ("possession notice"), issued by our Company. Our Company had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by NK, due to non-repayment of Rs. 37.40 million in relation to a loan availed by NK. Our Company is contesting the matter and the matter is pending before the DRT.

D. An application dated May 03, 2018 was filed by Subhasini Dubey before the Debt Recovery Tribunal, at Jabalpur ("DRT") against our Company challenging the demand notice dated September 01, 2016 and the possession notice dated January 13, 2017 ("possession notice"), issued by our Company. Our Company had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by Nivedita Dubey ("ND"), due to non-repayment of Rs. 23.75 million in relation to a loan availed by ND. Our Company is contesting the matter and the matter is pending before the DRT.

E. An application dated November 3, 2017 was filed by Sandeep Narendra Agrawal ("SNA") before the Debt Recovery Tribunal, at Aurangabad ("DRT") against our Company challenging the demand notice dated June 22, 2017 and the possession notice dated September 22, 2017 ("possession notice"), issued by our Company. Our Company had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by SNA, due to non-repayment of Rs. 20.32 million in relation to a loan availed by SNA. Our Company is contesting the matter and the matter is pending before the DRT.

F. An application dated October 05, 2018 was filed by Om Traders ("OT") before the Debt Recovery Tribunal, at Pune ("DRT") against our Company challenging the demand notice dated February 20, 2017 and the possession notice dated November 06, 2017 ("possession notice"), issued by our Company. Our Company had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by OT, due to non-repayment of Rs. 20.29 million in relation to a loan availed by OT. Our Company is contesting the matter and the matter is pending before the DRT.

G. An application dated January 24, 2018 was filed by Samir Dabri before the Debt Recovery Tribunal, at Mumbai ("DRT") against our Company challenging the demand notice dated September 01, 2016 and the possession notice dated November 04, 2016 ("possession notice"), issued by our Company. Our Company had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by Suchita Samir Dabri ("SSD"), due to non-repayment of Rs. 18.30 million in relation to a loan availed by SSD. Our Company is contesting the matter and the matter is pending before the DRT.

H. An application dated July 16, 2018 was filed by Ramsingbhai Laxmanbhai Makwana ("RLM") before the Debt Recovery Tribunal, at Ahmedabad ("DRT") against our Company. Our Company had issued the demand notice dated September 12, 2018 in accordance with the provisions of the SARFAESI Act due to non-repayment of Rs. 10.26 million in relation to a loan availed by RLM. Our Company is contesting the matter and the matter is pending before the DRT.

I. An application dated August 31, 2017 was filed by Ashish Aggarwal before the Debt Recovery Tribunal, at Delhi ("DRT") against our Company challenging the demand notice dated August 25, 2016 and the possession notice dated November 16, 2016 ("possession notice"), issued by our Company. Our Company had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by Jaipuria Buildcon Private Limited ("JBPL"), due to non-repayment of Rs. 110.61 million in relation to a loan availed by JPBL. Our Company is contesting the matter and the matter is pending before the DRT.

J. An application dated August 31, 2017 was filed by Akhil Aggarwal before the Debt Recovery Tribunal, at Delhi ("DRT") against our Company challenging the demand notice dated August 25, 2016 and the possession notice dated November 16, 2016 ("possession notice"), issued by our Company. Our Company had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by Jaipuria Buildcon Private Limited ("JPBL"), due to non-repayment of Rs. 110.61 million in relation to a loan availed by JPBL. Our Company is contesting the matter and the matter is pending before the DRT.

K. An application dated June 7, 2017 was filed by Union Bank Of India before the Debt Recovery Tribunal, at Delhi ("DRT") against our Company challenging the demand notice dated August 25, 2016 and the possession notice dated November 16, 2016 ("possession notice"), issued by our Company. Our Company had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by Jaipuria Buildcon Private Limited ("JPBL"), due to non-repayment of Rs. 110.61 million in relation to a loan availed by JPBL. Our Company is contesting the matter and the matter is pending before the DRT.

L. An application dated September 18, 2018 was filed by Anil Bansal before the Debt Recovery Tribunal, at Delhi ("DRT") against our Company challenging the demand notice dated August 25, 2016 and the possession notice dated November 16, 2016 ("possession notice"), issued by our Company. Our Company had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by Jaipuria Buildcon Private Limited ("JPBL"), due to non-repayment of Rs. 110.61 million in relation to a loan availed by JBPL. Our Company is contesting the matter and the matter is pending before the DRT.

M. An application dated March 10, 2017 was filed by Vimal Mandal before the Debt Recovery Tribunal, at Jaipur ("DRT") against our Company challenging the demand notice dated August 29, 2016 and the possession notice dated November 29, 2016 ("possession notice"), issued by our Company. Our Company had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by N.M. Roof Designers Limited ("NMRD"), due to non-repayment of Rs. 64.39 million in relation to a loan availed by NMRD. Our Company is contesting the matter and the matter is pending before the DRT.

N. An application dated March 09, 2017 was filed by Sangeeta Pandey before the Debt Recovery Tribunal, at Delhi ("DRT") against our Company challenging the demand notice dated August 25, 2016 and the possession notice dated November 15, 2016 ("possession notice"), issued by our Company. Our Company had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by HG Retail Ventures Private Limited ("HGRV"), due to non-repayment of Rs. 45.63 million in relation to a loan availed by HGRV. Our Company is contesting the matter and the matter is pending before the DRT.

O. An application dated June 30, 2018 was filed by Madhur Parcel Services before the Debt Recovery Tribunal, at Jabalpur ("DRT") against our Company challenging the demand notice dated August 29, 2016 and the possession notice dated November 05, 2016 ("possession notice"), issued by our Company. Our Company had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by Pharma Traders Private Limited ("PTPL"), due to non-repayment of Rs.44.68 million in relation to a loan availed by PTPL. Our Company is contesting the matter and the matter is pending before the DRT.

P. An application dated August 29, 2018 was filed by AVJ Developers (India) Limited ("AVDIL") before the Debt Recovery Tribunal, at Delhi ("DRT") against our Company challenging the demand notice dated March 5, 2018 and the possession notice dated May 24, 2018 ("possession notice"), issued by the Company. Our Company had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by the AVDIL, due to non-repayment of Rs. 936.58 million in relation to a loan availed by AVDIL. Our Company is contesting the matter and the matter is pending before the DRT.

Q. Applications dated March 25, 2015 and June 1, 2015 have been filed by Punjab National Bank before the Debt Recovery Tribunal, at Nagpur ("DRT") against Linkson Coal And Minerals Private Limited ("LCMPL") under section 19 of the Recovery of Debts Due to Banks and Financial Institutions Act, 1993. Our Company has issued the demand notice dated September 13, 2016 and the possession notice dated November 19, 2016 ("possession notice") in accordance with the provisions of the SARFAESI Act, for the possession and sale of the properties mortgaged by LCMPL, due to non-repayment of Rs. 82.91 million in relation to a loan availed by LCMPL. Our Company is contesting the matter and the matter is pending before the DRT.

R. Applications dated November 20, 2015 were filed by Kotak Mahindra Bank Limited before the Debt Recovery Tribunal, at Jaipur ("DRT") against N.M. Roof Designers Limited. ("NMRD") under section 19 of the Recovery of Debts Due to Banks and Financial Institutions Act, 1993. Our Company has issued the demand notice dated August 29, 2016 and the possession notice dated November 29, 2016 ("possession notice") in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by NMRD, due to non-repayment of Rs. 64.39 million in relation to a loan availed by NMRD. Our Company is contesting the matter and the matter is pending before the DRT.

S. Appeals dated January 27, 2017 have been filed by Bank of Baroda before the Debt Recovery Appellate Tribunal, at Nagpur ("DRAT") against our Company challenging the demand notice dated September 13, 2016 and the possession notice dated November 19, 2016 ("possession notice"), issued by our Company. Our Company had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the properties mortgaged by Linkson Coal And Minerals Private Limited ("LCMPL"), due to non-repayment of Rs. 82.91 million in relation to a loan availed by LCMPL. Our Company is contesting the matter and the matter is pending before the DRAT.

(b) Legal or regulatory actions taken by statutory or regulatory authorities against our Company

A. A direction dated July 17, 2018 was received by our Company from Pension Fund Regulatory and Development Authority ("**PFRDA**"), listing out the required actions to be complied with, in regard to pending amount of Rs.0.76 million by the subscribers' deposits with our Company as registered point of presence for National Pension Scheme as on March 31, 2018. In this regard, IIFL had initiated the required compliances and due periodical reports are being submitted to PFRDA. The compliances on the direction are under progress.

B. SEBI had issued a show-cause notice dated October 25, 2013 in the matter of M/s Parekh Aluminex Limited against our Company ("**SCN**"). The SCN alleged violation of Regulations 3(a), 4 (1), 4 (2) (a) and 4 (2) (g) of the SEBI (Prohibition of Fraudulent Trade Practices) Regulations, 2003 ("**PFUTP Regulations**") by our Company. The said matter was disposed off by the Adjudicating Officer vide an order dated January 13, 2015 pursuant to the written submission made by our Company and personal hearing afforded to our Company in the said matter.

C. SEBI had issued a show-cause notice dated February 4, 2016 under Rule 4(1) of the SEBI (Procedure for Holding Inquiry and imposing penalties by Adjudicating Officer) Rules, 1995 ("**SEBI Regulations**") requiring our Company to explain the steps implemented towards redressal of investors grievances. The matter was disposed off by the adjudicating officer vide an order dated August 23, 2017 pursuant to the detailed reply submitted explaining the redressal process and requesting disposal of the proceedings.

D. RBI issued a show cause notice dated April 26, 2017 in connection with loans extended by our Company to National Spot Exchange Limited clients, specifically in relation to the deficiencies with regard to KYC, loan documents, securities furnished by such client. RBI concluded the matter with the cautionary advice and the same has been suitably implemented by our Company.

2. Material litigation or legal or regulatory actions involving our Promoter as on the date of this Draft Shelf Prospectus

A. Material litigation involving our Promoter as on the date of this Draft Shelf Prospectus

Harish Thawani ("**Plaintiff**") has filed commercial suit no. 36/2017 against our Promoter and 18 others ("**Defendants**") before the High Court of Judicature at Bombay. The Plaintiff has claimed an amount of Rs.168.10 million towards alleged losses, refund of brokerage, warehouse charges, damages and legal cost from the Defendants. The Defendants have filed written statement in the suit. The matter is yet to be listed for hearing.

B. Legal or regulatory action pending or taken by any Ministry, Government Department or a statutory body or any direction issued by such Ministry or Department or statutory authority upon conclusion of such legal or regulatory action against our Promoter during the last five years immediately preceding the date of this Draft Shelf Prospectus

A compounding application was filed with RBI for regularization of investments in overseas subsidiary of our Promoter, namely India Infoline DMCC, Dubai ("**IIFL DMCC**") on account of delay in by the Promoter in submission of no objection received from SEBI for the overseas investment made in IIFL DMCC under Regulation 7 of Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004. RBI passed a compounding order bearing No. MCO4182 dated March 8, 2017 and pursuant thereto our Promoter paid an amount of Rs.0.2 million towards compounding fees. The matter was concluded by RBI vide its letter dated April 03, 2017.

3. Material litigations involving our Directors as on the date of this Draft Shelf Prospectus

A. Criminal litigation

(i) An FIR dated July 9, 2008, was lodged by Namo Jain at Lalkurti Police Station, Meerut, against our director Nirmal Bhanwarlal Jain and two other ex-employees of IIFL Securities Limited (formerly known as India Infoline Limited) ("**Accused Persons**"), under Sections 406 and 420 of the Indian Penal Code, 1860, alleging inter-alia, cheating and criminal breach of trust by unauthorised trading in the account. The matter was investigated by the police and a charge sheet was filed before the Chief Judicial Magistrate, Meerut against all the persons named as the accused in the FIR. Subsequently, a writ petition was filed by the Accused Persons, before the Allahabad High Court, for quashing of the charge sheet. The Allahabad High Court directed the Accused Persons to file a discharge application before the Chief Judicial Magistrate, Meerut. Accordingly, a discharge application dated June 25, 2014 was filed by the Accused Persons. The case is presently pending before Chief Judicial Magistrate, Meerut for hearing.

(ii) A complaint dated July 12, 2011 was filed by Sushama Agarwal before Chief Judicial Magistrate, Meerut, against our director Nirmal Bhanwarlal Jain and ex-employees of ISL

("**Accused Persons**") under Sections 406, 420 and 464 of the Indian Penal Code, 1860, alleging unauthorised trading, criminal breach of trust, cheating and forgery. Pursuant to the Complaint, the Chief Judicial Magistrate, passed an order for issuance of process on July 25, 2011. The Accused Persons filed a petition before the Allahabad High Court on April 7, 2014 ("**Petition**") for quashing the aforesaid order of the Chief Judicial Magistrate. The Allahabad High Court vide its order dated April 22, 2014 admitted the Petition and stayed the proceedings before the Chief Judicial Magistrate, Meerut. The case is presently pending before the Allahabad High Court for hearing.

(iii) Anil Kumar Tibrewal lodged a first information report dated October 24, 2010 ("**FIR**") at Sunlight Colony, South East District, Delhi against our directors, Nirmal Bhanwarlal Jain and Venkataraman Rajamani for the offences of cheating, forgery and conspiracy, under Sections 420, 464 along with 120B of the Indian Penal Code, 1860. The FIR is placed before Delhi District Court, Saket, New Delhi and is currently under investigation.

(iv) A complaint dated October 18, 2013 was filed by Gouri Manjunath Jonniya before Chief Judicial Magistrate, Nagpur, against our directors Nirmal Bhanwarlal Jain and Venkataraman Rajamani ("**Accused Persons**"), for offence of, *inter alia*, cheating, forgery, criminal breach of trust and misuse of her insurance license under Sections 406, 420 and 464 of the Indian Penal Code, 1860. The Chief Judicial Magistrate, Nagpur passed an order of issuance of process on January 31, 2014. Aggrieved by the order of the Chief Judicial Magistrate, Nagpur, the Accused Persons filed a revision application before the Sessions Court, Nagpur on April 4, 2014 for quashing and setting aside the order of issuance of process. The Sessions Court, Nagpur vide its order dated June 6, 2014 admitted the revision application and stayed the proceedings before the Chief Judicial Magistrate, Nagpur. The case is presently pending before the Sessions Court, Nagpur for hearing.

(v) A complaint dated March 1, 2014 was filed by Abdul Rahim Siddiqui before the Chief Judicial Magistrate, Muzzafarpur, Bihar, against our directors Nirmal Bhanwarlal Jain, Venkataraman Rajamani and Nilesh Shivji Vikamsey alleging inter alia unauthorised trading, criminal breach of trust, cheating and forgery under Sections 406, 420 and 464 of the Indian Penal Code, 1860. The matter has not been listed for hearing.

(vi) A complaint dated December 9, 2012 was filed by Arunava Patra before the Chief Metropolitan Magistrate, Paschim Medinipur, West Bengal, against our directors Nirmal Bhanwarlal Jain, Venkataraman Rajamani and Nilesh Vikamsey ("**Accused Persons**") under Sections 406 and 120B of the Indian Penal Code, 1860, alleging *inter-alia*, forgery and criminal conspiracy and certain offences under the Companies Act, 1956. Pursuant to the complaint, the Court passed an order for issuance of process on June 16, 2014. The Accused Persons filed a writ petition dated April 10, 2015 before the Calcutta High Court for quashing of the proceedings before Chief Metropolitan Magistrate, Paschim Medinipur, West Bengal. The Calcutta High Court passed an order dated June 18, 2015 staying the proceedings before Chief Metropolitan Magistrate, Paschim Medinipur, West Bengal. The matter is presently pending before the Calcutta High Court for further hearing.

(vii) A first information report ("**FIR**") dated May 9, 2014 was lodged by Prashant Vasisht ("**Complainant**") at the Moti Nagar Police Station, New Delhi, against our directors Nirmal Bhanwarlal Jain and R. Venkataraman under Sections 420, 468, 418, 465, 406 and 120B of the Indian Penal Code, 1860, alleging unauthorised trading and cheating, forgery and criminal breach of trust. The notice received from the police pursuant to said FIR directing our directors to provide the details of the transactions of the Complainant along with the supporting documents has been duly replied to and relevant information has been provided to the police. No further communication has been received from the police.

(viii) A complaint dated November 24, 2008 ("**Complaint**") was filed by GHCL Employees Stock Option Trust ("**GHCL ESOP Trust**") under the Indian Penal Code, 1860, before the Court of Additional Chief Judicial Magistrate, Patiala House Court, New Delhi ("**Lower Court**") against our directors, Nirmal Bhanwarlal Jain and Venkataraman Rajamani. The trustees of the GHCL ESOP Trust had opened a dematerialized account with IIFL Securities Limited (formerly known as India Infoline Limited) ("**ISL**") and continued purchasing shares through the dematerialized account. By its letter dated April 30, 2008, ISL informed the GHCL ESOP Trust of its

outstanding debit of Rs.104.80 million and the existence of lien on the 2,046,195 shares purchased by it. In its response, GHCL ESOP Trust: (a) claimed that Rs. 104.80 million had been duly paid by it, and later it had noted that the correct amount, as reflected in its statement of account was Rs.102.28 million; and (b) alleged that ISL instead of refunding the difference amount of Rs.2.52 million asked the GHCL ESOP Trust to clear the debits of five companies, and on failing to do so, ISL sold 876,668 shares belonging to the GHCL ESOP Trust illegally and without any authorization. A summons order dated September 27, 2008 ("**summons order**") was passed by the Lower Court, summoning ISL to face trial for the offences under the provisions of the Indian Penal Code, 1860. ISL filed a petition in the Delhi High Court ("**Petition**") on March 22, 2009 challenging the Summons order. The Delhi High Court by its order dated December 14, 2009 quashed and set aside the Complaint and the summons order as against our aforesaid directors. GHCL ESOP Trust filed an Appeal before the Supreme Court against the order of the Delhi High Court on March 11, 2010. By its order dated March 22, 2013, the Supreme Court confirmed the order of the Delhi High Court and held that no offence of cheating is made out against our aforesaid directors and the matter is presently pending before the Lower Court against ISL.

(ix) Manju Rajesh ("**Complainant**") filed a criminal complaint bearing number C.M.P. No. 1479/2018 before the Learned Judicial Magistrate First Class, Chenganoor ("**Complaint**"), against our director Nirmal Jain under Section 190 of the Code for Criminal Procedure, 1973 levelling charges under Section 420 and 34 of the Indian Penal Code, 1860 alleging cheating for not returning gold. Our director Nirmal Jain is contesting the said Complaint and the same is pending a final outcome.

B. Civil litigation

(i) Harish Thawani ("**Plaintiff**") has filed commercial suit no. 36/2017 against our directors Nirmal Bhanwarlal Jain, Venkataraman Rajamani, Nilesh Vikamsey and Geeta Mathur ("**Defendants**") before the High Court of Judicature at Bombay. The Plaintiff has claimed an amount of Rs.168.10 million towards alleged losses, refund of brokerage, warehouse charges, damages and legal cost from the Defendants. The Defendants have filed written statement in the suit. The matter is yet to be listed for hearing.

(ii) A commercial suit dated July 19, 2016 was filed by Vishvanidhi Dalmia ("**Plaintiff**"), a client of National Spot Exchange Limited ("**NSEL**"), before the Bombay High Court ("**Court**"), against our director, Nirmal Bhanwarlal Jain, claiming an amount of Rs.76 million along with interest thereon at the rate of 18% per annum from August 1, 2013 to May 6, 2016 amounting to Rs.37.85 million and further interest thereon on the total claim at the rate of 18% per annum from the date of filing of the suit till final realization. Additionally, the Plaintiff has prayed for injunctive relief against certain other respondents in this matter.

4. Litigation involving group companies

(a) IIFL Commodities Limited ("IICL") (Formerly India Infoline Commodities Limited)

(i) Civil Proceedings against IICL

1) A commercial suit dated January 19, 2017 was filed by Harish Thawani a client of National Spot Exchange Limited, before the Bombay High Court ("**Court**") for a claim amount of Rs.168.10 million, against IICL alleging losses, refund of brokerage, warehouse charges, damages and legal costs. IICL filed its written statement before the Court and the matter is pending hearing before the Court.

2) A commercial suit dated July 19, 2016 was filed by Vishvanidhi Dalmia ("**Plaintiff**"), a client of National Spot Exchange Limited ("**NSEL**"), before the Bombay High Court ("**Court**"), against IICL, its directors, employees including the chairman of IIFL Holdings Limited and NSEL, claiming an amount of Rs.76 million along with interest thereon at the rate of 18% per annum from August 1, 2013 to May 6, 2016 amounting to Rs.37.85 million and further interest thereon on the total claim at the rate of 18% per annum from the date of filing of the suit till final realization. The Plaintiff also prayed for interim/ad-interim relief pending hearing and final disposal of the suit (a) restraining IICL from directly or indirectly assigning, selling, mortgaging, creating any third party on its

movable and immovable assets, (b) restraining IICL from using Rs.113.85 million without the leave of the Court (d) conducting independent / forensic audit through an investigating agency to examine the affairs of IICL (e) IICL to pay any amount realized from NSEL and (f) to preserve all the records of the relevant period. The total amount involved in the matter is Rs. 113.85 million. IICL received the summons on September 12, 2018. The matter is yet to be admitted by the Court.

(ii) Criminal Proceedings against IICL

A. A complaint dated September 30, 2013 ("**Complaint**") was lodged by Pankaj Saraf, an investor in National Spot Exchange Limited ("**NSEL**"), at the MRA Marg Police Station Mumbai against NSEL and other brokers, including IICL, alleging inter-alia, criminal conspiracy, fraud and criminal breach of trust, under Sections 406, 420 and 120B of the Indian Penal Code, 1860. Basis the Complaint, the economic offences wing Mumbai ("**EOW**"), lodged a first information report against the Accused ("**FIR**"). IICL provided all the required details and documents and also personally appeared before the EOW and clarified its position in the matter. In connection with the FIR, one of the directors of IICL, Chintan Modi, was arrested by EOW in March, 2015 and was subsequently released on bail by the court established under Maharashtra Protection of Interest of Depositors (in Financial Establishments) Act, 1999. This matter is pending investigation by the EOW, Mumbai.

B. A first information report dated October 24, 2010 ("**FIR**") was registered by Anil Kumar Tibrewal at Sunlight Colony, South East District, Delhi against IICL for the offences of cheating, forgery and conspiracy under Sections 420, 464 along with 120B of the Indian Penal Code, 1860. The FIR is placed before Delhi District Court, Saket, New Delhi, and is currently under investigation.

C. A show cause notice dated January 6, 2017 was received by IICL from the Serious Fraud Investigation Office ("**SFIO**"), Mumbai, seeking various details and documents with respect to certain transactions which IICL carried out in National Spot Exchange Limited ("**NSEL**"). A detailed reply dated January 30, 2017 was submitted with the SFIO, along with all the supporting documents. Further, SFIO issued a notice dated February 24, 2017, addressed to the directors of the IICL for personal appearance before the additional director, SFIO. Chintan Modi, one of the directors of IICL, appeared and provided the requisite details, clarifications and documents as sought by the SFIO. No further communication was received from SFIO.

D. A summons ("**Summons**") was received by IICL from the Enforcement Directorate ("**ED**") in relation to the on-going probe in matter concerning NSEL. The matter relates to NSEL default in payouts to its clients in the year 2013 where IICL was the member of National Spot Exchange Limited ("**NSEL**") in the relevant period. The Summons sought personal appearance of the directors of IICL, on July 16, 2016 before the ED. Prasanth Prabhakaran and Chintan Modi, directors of IICL, appeared before the ED and provided the necessary explanation and details, as sought by the ED. Further, the ED sought certain additional details and documents from IICL and the same were duly submitted to the ED. No further communication has been received from ED.

E. A first information report dated July 7, 2015 ("**FIR**") was lodged by Sumita Kalra at the Moti Nagar Police Station, Delhi against IICL, under Sections 406 and 464 of the Indian Penal Code, 1860, alleging inter-alia, unauthorised trading, forgery and criminal breach of trust. The FIR is being investigated by the police.

(iii) Criminal proceedings by IICL

IICL has filed 1 proceeding against defaulting customers under Section 138 of the Negotiable Instruments Act, 1881 for dishonour of cheque, in the court of Judicial Magistrate First Class at Ernakulam ("**Court**"). The claim amounts filed by IICL is approximately Rs. 0.03 million. The matter is pending before the Court for adjudication.

(iv) Other material pending litigation

A demand notice dated June 5, 2014 was received by IICL from the Rajasthan Stamp Office, demanding payment of stamp duty, for the period commencing from September 2007 to March 2012 in relation to the trades carried out by IICL's clients ("**Clients**"), residing in the state of Rajasthan. IICL, vide its reply dated June 21, 2015, stated that the stamp duty with respect to the trades, was paid to state of Maharashtra until 2011, as the central office of IICL was located in Mumbai. Subsequently, the central office was

shifted to the state of Tamil Nadu wherein no stamp duty was levied. Hence, the same was not levied and collected from the Client. The contract notes for the above period were issued to the Clients from both, the Mumbai and Chennai offices. Aggrieved by the demand notice, IICL filed a writ petition dated December 30, 2015 before Rajasthan High Court, requesting it to quash the demand notice. The matter has not been listed and is pending.

(v) Pending actions by statutory or regulatory authorities against IICL

1) A show-cause notice dated October 28, 2016 was received by IICL from designated authority, SEBI ("**DA SEBI**"), under Regulation 25(1) of the SEBI (Intermediaries) Regulations, 2008 and SEBI (Stock Brokers and Sub Brokers) Regulations, 1992 in the matter of National Spot Exchange Limited payout default. A detailed reply was filed by IICL, along with supporting documents on November 25, 2016. Subsequently, IICL received a fresh show cause notice dated April 25, 2017, from DA SEBI under Regulation 28(1) r/w Regulation 7(2) of the SEBI (Intermediaries) Regulations, 2008, along with a copy of the enquiry report, seeking IICL's reply and clarification. IICL sought inspection of the documents and appeared in personal hearings held on January 24, 2018 and February 7, 2018 before the whole-time member, SEBI ("**WTM SEBI**"). Further, subject to receipt of pending documents sought for inspection, IICL submitted its detailed reply along with all the supporting documents with WTM SEBI on June 18, 2018. WTM SEBI passed an interim order dated August 30, 2018 in this matter ("**WTM Order**") and directed IICL to submit any additional written submissions within 2 weeks from the date of order and appear for personal hearing on September 27, 2018 before WTM SEBI. Pending hearing before WTM SEBI, IICL vide its letter dated September 17, 2018 applied for withdrawal of its application for registration with the stock exchanges as well as SEBI. SEBI vide its letter dated September 4, 2018 and the stock exchanges vide their emails informed IICL that pending enquiry/SCN, the application for withdrawal of the registration application cannot be entertained. IICL preferred a writ petition before the Bombay High Court against the said letter dated September 4, 2018 issued by SEBI and the WTM Order. The Writ Petition was rejected by the High Court vide its order dated October 4, 2018. Subsequent thereto, the matter was heard by WTM SEBI on October 11, 2018 and October 24, 2018 whereat written and oral submissions were made by IICL. IICL is in the process of filing additional written submissions with the WTM SEBI. The matter presently remains pending with WTM SEBI.

2) Multi Commodity Exchange ("**MCX**") vide its letter dated April 12, 2018, alleged violation of exchange bye-laws and business rules on account of alleged discrepancies in reporting to be made to MCX for the F.Y. 2014-15 and levied a penalty of Rs. 33.00 million. IICL challenged the penalty levied by MCX before Securities Appellate Tribunal ("**SAT**") by way of an appeal dated May 11, 2018 ("**Appeal**"). SAT heard the matter on September 18, 2018 and directed MCX to submit its reply to the Appeal within a week and our Company will submit its rejoinder by the next date of hearing which is placed at November 22, 2018.

3) Multi Commodity Exchange ("**MCX**") vide its letter dated April 12, 2018 has alleged violation of exchange bye-laws and business rules on account of alleged discrepancies in the reporting to MCX for the F.Y. 2015-16 and has levied a penalty of Rs. 11.92 million. IICL has challenged the penalty levied by MCX before Securities Appellate Tribunal ("**SAT**") by way of an appeal dated May 11, 2018 (**"Appeal**"). SAT heard the matter on September 18, 2018 and directed MCX to submit its reply to the Appeal within a week and our Company to submit its rejoinder by the next date of hearing which is placed on November 22, 2018.

(b) IIFL Securities Limited ("ISL") (Formerly India Infoline Limited)

(i) Civil Proceedings against ISL

1) A suit dated December 15, 2010 was filed by official liquidator Delhi in the matter of Dimension Invest and Securities, the official liquidator, Delhi before the High Court at Delhi against ISL under Section 446 of Companies Act, 1956 seeking recovery of Rs.32.74 million from ISL for wrongfully withholding the funds of Dimension Investment and Securities. ISL has filed its detailed written statement in relation to the claim made in the suit. The suit is pending for hearing before the High Court at New Delhi.

2) A suit dated August 23, 2012 was filed by M/s Ramesh Chandra Mahavir Prasad & Co., before the Small Causes Court at Bandra, Mumbai against ISL in relation to a leave and licence agreement

dated February 6, 2007, alleging that the same is valid and subsisting and demanded the arrears of compensation/ license fee from February 1, 2009 till January 14, 2012. The claim amount demanded is Rs. 13.76 million. ISL has filed written submissions denying all the allegations in the said suit. The matter is pending for cross examination of Ramesh Chandra Mahavir Prasad.

3) A commercial suit dated January 19, 2017 was filed by Harish Thawani a client of National Spot Exchange Limited ("**NSEL**"), before the Bombay High Court ("**Court**"), against ISL, alleging losses, refund of brokerage, warehouse charges, damages and legal costs. ISL filed its written statement before the Court and the matter is pending hearing. The claim involved in the suit is valued at Rs.168.10 million.

4) An arbitration petition dated June 17, 2013 was filed by Ranjit Makkuni before the National Stock Exchange ("**NSEL**") at New Delhi against ISL (Trading Member) and Prosperity Investment Advisors Private Limited (sub-broker) for the alleged fraud committed by the sub-broker in his account. The claim amount is Rs. 34.97 million. The arbitral tribunal rejected the claim of the client. Thereafter, the client filed an appeal before NSEL on November 26, 2014, challenging the arbitration award. NSEL remanded the matter back to the arbitral tribunal. ISL has filed an application under Section 34 of Arbitration Act before the High Court of Delhi against the said award and same is pending before the High Court at Delhi.

5) An arbitration application dated April 1, 2010 was filed by GHCL Employees Trust ("**GHCL**") before the NSE Arbitration Tribunal ("**Tribunal**") against ISL, alleging unauthorized sale of shares by ISL. The Tribunal partly passed an award dated September 17, 2013 ("**Award**") in favour of GHCL stating that: (i) GHCL was entitled to an interest of Rs.0.52 million and ISL was required to pay interest at the rate of 9% per annum from the date on which the arbitration started till the final payment is made; (ii) ISL must retrieve the 856,466 shares which were sold on the NSE, failing which it should pay Rs. 41.65 million to GHCL within 30 days of the Award; and (iii) 466,273 shares of GHCL with ISL should be released to GHCL immediately or the present-day value of the same i.e., Rs.14.15 million should be paid to it. ISL and GHCL filed applications dated May 13, 2014 and May 20, 2014 respectively, before the Delhi High Court ("**Court**") under Section 34 of the Arbitration and Conciliation Act, 1996, ("**Act**") challenging the Award ("**Applications**"). Furthermore, an application was filed by GHCL under Section 9 of the Act before the Court, seeking return the shares lying with NSE. The Court allowed the release of shares to GHCL subject to providing a bank guarantee by GHCL and the outcome of pending Applications. GHCL had also filed an application under Section 9 of the Act claiming voting rights and dividends in respect of the shares lying with NSE. The GHCL shares were deposited by ISL with NSE in compliance with the award dated September 17, 2013 passed by Tribunal. The Court clubbed the Applications filed by GHCL as well as ISL and directed the parties to file their respective written synopsis. The matters are pending for arguments. The claim is valued at approximately Rs.56.32 million as on the date of Award i.e., September 17, 2013, along with 9% per annum interest from the date of award till the actual payment.

6) An arbitration application dated January 24, 2014 ("**Claim**") was filed by GHCL Employees Trust ("**GHCL**") before the BSE Arbitration Tribunal ("**Tribunal**") against ISL, claiming a total of 723,456 shares of GHCL. The Tribunal rejected the application vide its award dated July 22, 2014 ("**Award**"), on the grounds of the Claim being beyond the limitation period. GHCL filed an appeal before the BSE Appellate Arbitration Panel on September 9, 2014. The BSE Appellate Arbitration Panel by its order dated March 5, 2015, set aside the Award and held that the Claim was within the prescribed period of limitation and the matter was remanded back to the Tribunal to be decided afresh, on merits. Aggrieved by the award passed by the BSE Appellate Arbitration Panel, ISL filed an application dated May 25, 2015 before the Delhi High Court ("**Court**"), under Section 34 of the Arbitration and Conciliation Act, 1996, challenging the findings of the BSE Appellate Arbitration Panel. The Court vide its order dated May 27, 2015 stayed the operation of the award passed by the BSE Appellate Arbitration Panel. The matter is presently pending before the Court for hearing. The claim relates to return of 723,458 GHCL shares.

7) An arbitration application dated January 1, 2009 was filed by T.N.T. Rajsekhar before a private arbitration tribunal against ISL and claimed that ISL unilaterally terminated the lease agreement by way of a termination notice dated October 14, 2009 and demanded refund of security deposit and to take possession of the property immediately and also claimed huge dues and damages, inter alia, for the alleged damage caused to the property, the rent for the remaining lease period and non-payment

of service tax on the monthly rent being paid for the property. The matter is presently pending and the Claim is valued at Rs. 33.86 million.

8) An arbitration application dated August 25, 2015 was filed by Central Business Services Limited ("**CBSL**") along with Jain Industrial & Commercial Services Private Limited ("**JICSL**") (collectively, "**Claimants**") before a private arbitration tribunal ("**Tribunal**") against ISL. A consolidated statement of claim ("**Claims**") for an amount of Rs.260 million along with interest thereon was filed before the Tribunal. A statement of defence was filed by ISL along with preliminary objections on the maintainability of the claim filed by JICSL and on the clubbing of Claims filed by the Claimants. The Tribunal dismissed the preliminary objections filed by ISL. The Claimants filed a rejoinder and an affidavit of evidence. The pleadings in the matter are completed. The hearing of the matter concluded on March 26, 2018 and the matter is now reserved for Award and the claim is valued at approximately Rs. 260 million. The matter is currently pending.

(ii) Criminal proceedings against ISL

1) A complaint dated November 24, 2008 ("**Complaint**") was filed by GHCL Employees Stock Option Trust ("**GHCL ESOP Trust**") under the Indian Penal Code, 1860, before the Court of Additional Chief Judicial Magistrate, Patiala House Court, New Delhi ("**Lower Court**") against ISL. The trustees of the GHCL ESOP Trust had opened a dematerialized account with ISL and continued purchasing shares through the dematerialized account. By its letter dated April 30, 2008, ISL informed the GHCL ESOP Trust of its outstanding debit of Rs.104.80 million and the existence of lien on the 2,046,195 shares purchased by it. In its response, GHCL ESOP Trust: (a) claimed that Rs. 104.80 million had been duly paid by it, and later it had noted that the correct amount, as reflected in its statement of account was Rs.102.28 million; and (b) alleged that ISL instead of refunding the difference amount of Rs.2.52 million asked the GHCL ESOP Trust to clear the debits of five companies, and on failing to do so, ISL sold 876,668 shares belonging to the GHCL ESOP Trust illegally and without any authorization. A summons order dated September 27, 2008 ("**summons order**") was passed by the Lower Court, summoning ISL to face trial for the offences under the provisions of the Indian Penal Code, 1860. ISL filed a petition in the Delhi High Court ("**Petition**") on March 22, 2009 challenging the Summons order. The Delhi High Court by its order dated December 14, 2009 quashed and set aside the Complaint and the summons order as against ISL. GHCL ESOP Trust filed an Appeal before the Supreme Court against the order of the Delhi High Court on March 11, 2010. By its order dated March 22, 2013, the Supreme Court confirmed the order of the Delhi High Court and held that no offence of cheating is made out against ISL and the matter is presently pending before the Lower Court against ISL.

2) A complaint dated July 12, 2011 was filed by Sushama Agarwal before Chief Judicial Magistrate, Meerut, against ISL under Sections 406, 420 and 464 of the Indian Penal Code, 1860, alleging unauthorised trading, criminal breach of trust, cheating and forgery. Pursuant to the complaint, the Court, passed an order for issuance of process on July 25, 2011. ISL filed a Petition before the Allahabad High Court on April 7, 2014 ("**petition**") for quashing the order of the Court. The petition was admitted and the Allahabad High Court vide its order dated April 22, 2014 stayed the proceedings before the Chief Judicial Magistrate, Meerut. The case is presently pending before the Allahabad High Court for hearing.

3) A first information report dated October 12, 2012 ("**FIR**") was lodged by Mohinder Singh ("**Complainant**") at the Moti Nagar Police Station, New Delhi against ISL under Sections 420 and 120B of the Indian Penal Code, 1860,alleging unauthorised trading and cheating. A notice was received from the police directing ISL to provide the details of the transactions of the Complainant along with the supporting documents. The same has been provided by the Complainant. No further communication received from the police.

4) A first information report bearing number 108/2013 ("**FIR**") was lodged by Peter Jesucount Nathadas ("**Complainant**") at the Vishrantwadi Police Station, Pune against ISL under Sections 420 and 120B of the Indian Penal Code, 1860, alleging unauthorised trading and cheating. A notice was received from the police directing ISL to provide the details of the transactions of the Complainant along with the supporting documents. The same has been provided by the Complainant. No further communication received from the police.

5) A first information report bearing number 76/2015 ("**FIR**") was lodged by Mohit Gujral ("**Complainant**") at the Economic Offences Wing ("**EOW**"), New Delhi against ISL under Sections 405, 120B, 420 and 120B of the Indian Penal Code, 1860, alleging unauthorised trading, cheating and criminal breach of trust. A notice was received from the EOW to provide the details of the transactions of the Complainant along with the supporting documents. The same has been provided by the Complainant. No further communication received from the EOW.

6) A first information report No. 70 of 2010 ("**FIR**") was lodged by Mukesh Verma and the State Sawai Madhopur ("**Complainant**") at Sawai Madhopur Police Station, Rajasthan against ISL under Sections 420, 467, 468 and 120B of Indian Penal Code, 1860, alleging unauthorised trading and cheating. Notice received from the police directing ISL to provide the details of the transactions of the Complainant along with the supporting documents. The same has been provided. No further communication received from the police.

7) A first information report no. 79 of 2010 ("**FIR**") was lodged by Purshottam Kumar Joshi and the State Sawai Madhopur ("**Complainant**") at Sawai Madhopur Police Station, Rajasthan against ISL, under Sections 420, 467, 468 and 120B of Indian Penal Code, 1860, alleging unauthorised trading and cheating. A notice received from the police in respect of the FIR directing ISL to provide the details of the transactions of the Complainant along with the supporting documents and the same been provided to the police by ISL. No further communication received from the police.

8) A complaint dated March 1, 2014 was filed by Abdul Rahim Siddiqui ("**Complainant**") before the Chief Judicial Magistrate, Muzzafarpur, Bihar, against ISL, alleging *inter alia* unauthorised trading, criminal breach of trust, cheating and forgery under Sections 406, 420 and 464 of the Indian Penal Code, 1860.The matter has not been listed for hearing.

9) A first information report dated March 19, 2014 was lodged by Devender Mohan Singh Negi ("**Complainant**") at the Moti Nagar Police Station, New Delhi, against ISL, under Sections 420, 468, 471, 406, 34 and 120B of the Indian Penal Code, 1860, alleging unauthorised trading and cheating, forgery and criminal breach of trust. The notice received from the police directing ISL to provide the details of the transactions of the Complainant along with the supporting documents and the same has been provided by ISL. No further communication received from the police.

10) A first information report dated May 9, 2014 ("**FIR**") was lodged by Prashant Vashistha ("**Complainant**") at the Moti Nagar Police Station, New Delhi, against ISL under Sections 420, 468, 418, 465, 406 and 120B of the Indian Penal Code, 1860, alleging unauthorised trading and cheating, forgery and criminal breach of trust. The notice received from the Police in relation to the FIR directing ISL to provide the details of the transactions of the Complainant along with the supporting documents has been duly provided by ISL. No further communication has been received from the police.

11) A first information report dated May 20, 2014 ("**FIR**") was lodged by Renu Jain ("**Complainant**") at the Moti Nagar Police Station, New Delhi, against ISL under Sections 406, 420 and 468 of the Indian Penal Code, 1860 for unauthorised trading and cheating, forgery and criminal breach of trust. The notice received from the police in respect of the FIR directing ISL to provide the details of the transactions of the Complainant along with the supporting documents and the same has been provided. No further communication received from the police.

12) Arunava Patra ("**Complainant**") filed a complaint dated December 9, 2012 before the Chief Metropolitan Magistrate, Paschim Medinipur, West Bengal, against ISL under Sections 406 and 120B of the Indian Penal Code, 1860, alleging *inter-alia*, forgery and criminal conspiracy and certain offences under the Companies Act, 1956. Pursuant to the complaint, the Court passed an order for issuance of process on June 16, 2014. ISL filed a writ Petition dated April 10, 2015 before the Calcutta High Court for quashing of the proceedings before Chief Metropolitan Magistrate, Paschim Medinipur, West Bengal. The Calcutta High Court passed an order dated June 18, 2015 staying the proceedings before Chief Metropolitan Magistrate, Paschim Medinipur, West Bengal. The matter is presently pending before the Calcutta High Court for further hearing.

13) A complaint dated November 23, 2011 was filed by Seema Bulsara ("**Complainant**") with the Economic Offence Wing ("**EOW**"), Mumbai, and the first information report was lodged against Mukti Laheri and '*unknown officials*' of ISL, alleging unauthorized trading. A charge sheet was

filed by the EOW, Mumbai before the 19th Court, Esplanade, Mumbai against Mukti Laheri and Manish Kumar, an ex-employee of ISL. Further, a supplementary charge sheet ("**Supplementary Charge Sheet**") was filed by EOW, Mumbai against ISL on April 17, 2015. The matter is presently pending before the 19th Court, Esplanade, Mumbai for hearing and for taking on record the Supplementary Charge Sheet.

(iii) Criminal proceedings by ISL

1) A complaint dated March 7, 2008 was filed by ISL before the Metropolitan Magistrate's Court, Tis Hazari, Delhi, against Kuldeep Singh and Surender Kumar, Ex-employees, for theft and criminal conspiracy under sections 120A and 379 of Indian Penal Code, 1860. The matter is presently pending for hearing before the said court.

2) A complaint dated October 7, 2008 was filed by ISL before the Magistrate Court, Borivali, Mumbai, against M/s Rana Furniture ("**Accused**") for offences of extortion and criminal intimidation under Sections 383 and 120A of the Indian Penal Code, 1860. An advance payment of Rs. 2 million was made to the Accused in relation to an assignment, however, the Accused failed to complete the assigned work. The matter is presently pending for enquiry.

3) A complaint dated February 25, 2013 was filed by ISL before Chief Judicial Magistrate Court, Pune against Devdutt Musale a former employee of ISL, for, the offences of criminal breach of trust, cheating and forgery. The matter is presently pending for evidence.

4) A criminal revision dated December 22, 2016 was filed by ISL before the District and Sessions Court, Hisar, against Tarun Malhotra for restoration of the complaint filed by ISL for offence of, cheating, criminal breach of trust and also for offences punishable under the provisions of the Information Technology Act, 2000. The matter is presently pending for hearing.

5) A complaint dated May 11, 2016 was filed by ISL before the Metropolitan Magistrate Court, Ahmedabad against Ragvendra Singh (former employee), Harsh Dinesh Kaushik (former employee) for offences of, cheating and criminal breach of trust for carrying out unauthorized trading in a client account. The matter is presently pending for hearing before the said court.

6) A complaint was filed by ISL before Police Station PS Kotwali, Bharatpur, Rajasthan against Mukesh Kuntal ("**Accused**") for the offences of, cheating, forgery and theft. Thereafter, a first information report ("**FIR**") was registered against the Accused. The FIR is presently being investigated by the police.

7) A complaint was filed by ISL before Civil Line Police Station, Amritsar against Pankaj Ohri ("**Accused**") for the offences of, cheating, forgery and theft. Thereafter, a first information report ("**FIR**") was registered against the Accused. The FIR is presently being investigated by the police.

8) A complaint dated May 20, 2011 was filed by ISL before Gautam Buddha Nagar Police Station, Uttar Pradesh against Mohd. Tariq ("**Accused"**) for the offences of cheating and forgery of documents. Thereafter, a first information report ("**FIR**") was registered against the Accused. The FIR is presently being investigated by the police.

9) A complaint dated December 23, 2015 was filed by ISL before Kothrud Police Station, Pune against Ashpak Hamid Sayyad, Rakesh Natwarlal Solanki, Kalpesh Kantilal Waghela, Prabhat Bhura Patel, ex- employees of ISL ("**Accused"**) for the offence of cheating and forgery of documents. Thereafter, a first information report ("**FIR**") was registered against the Accused. The FIR is presently being investigated by the police.

10) ISL has filed 16 proceedings against defaulting customers under Section 138 of the Negotiable Instruments Act, 1881 for dishonour of cheques, in various courts. The aggregate of claim amounts filed by ISL are approximately Rs. 331.46 million. The matters are pending before various courts at various stages of adjudication.

(iv) Other material pending litigation involving ISL

A demand notice dated June 5, 2014 ("**Notice**") was received by ISL from the Rajasthan Stamp Office, demanding payment of stamp duty for the period commencing from September 2007 to March 2012, in relation to the trades carried out by ISL's clients residing in the state of Rajasthan. ISL, through its reply dated June 21, 2014, stated that the stamp duty with respect to the trades was paid to the State of Maharashtra as the central office of ISL is located in Mumbai and contract notes were issued to the clients from the Mumbai office. Aggrieved by the notice, ISL filed a writ petition before Rajasthan High Court on in April 25, 2015, requesting it to quash the notice. The matter has not been listed and is presently pending before the Rajasthan High Court.

(v) Legal action taken by statutory or regulatory authorities against ISL

A. An enquiry notice dated May 2, 2017 was received by ISL from SEBI, basis an inspection conducted by SEBI during the period between January 30, 2014 and February 3, 2014 covering period from 2011 to 2014. The matter relates to SEBI's observations for non-segregation of own funds from clients' funds, misuse of credit balance of clients' funds for debit balance clients' funds; and improper designation of the client bank account. ISL had applied for the inspection of documents, which were relied upon by SEBI, in relation to issuance of the enquiry notice. Upon the receiving such documents, ISL submitted reply to SEBI notice providing clarification with supporting documents and highlighting the corrective measures adopted and implemented including compliance with circulars issued by SEBI on enhanced risk based supervision. During the period of three years beginning the date of conclusion of the onsite inspection, three supplementary reports were issued in this matter which has been suitably replied to. Further, a consent application was filed by on January 16, 2018 before SEBI and the same is pending before SEBI.

B. Our Company had issued publicly placed non-convertible debentures in March 12, 2014 wherein ISL acted as one of the merchant bankers to the issue ("**2014 Public Issue**"). In the draft prospectus, the credit rating of "AA-" from ICRA Limited was disclosed. Subsequent to filing of the draft prospectus, on the request of our Company, ICRA Limited agreed for the said rating to be used for private placement of non-convertible debentures by our Company in the 2014 Public Issue. Vide its letter dated March 12, 2014, SEBI communicated that it was not appropriate to for ISL allow the our Company to request a credit rating agency to assign the rating issued for the non-convertible debentures issued in the 2014 Public Issue to be used for the subsequent issues and use better rating issued by other agencies for its public issue especially after the filing of the draft prospectus. SEBI advised ISL to be careful in future and not to allow such instances in future issues managed by ISL.

C. SEBI had issued an adjudication show cause notice dated August 10, 2017 under Rule 4(1) of the SEBI (Procedure for Holding Inquiry and imposing penalties by Adjudicating Officer) Rules, 1995 read with Section 15I of SEBI Act in the matter of United Spirits Limited ("**SCN**"). In the said SCN, it was alleged that ISL was not able to provide appropriate reason as to why the in-person verification of ISL's client based at Chennai was done at Mumbai. Appropriate replies were submitted to SEBI along with supporting documents. The matter was closed vide SEBI's order dated February 23, 2018 whereby SEBI imposed penalty of Rs.2,00,000/- (Rupees Two Lakh Only) on ISL. ISL has duly paid the said penalty and the matter was closed with SEBI's order dated February 23, 2018.

D. SEBI had issued an adjudication show cause notice dated July 13, 2017 under Rule 4(1) of the SEBI (Procedure for Holding Inquiry and imposing penalties by Adjudicating Officer) Rules, 1995 read with Section 15I of SEBI Act ("**SCN**"). The SCN, *inter alia*, alleges non-disclosure under Regulations 13 (1) read 13(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 and Regulations 7(1) read with 7(2) of SEBI (Substantial Acquisition of Shares Takeover) Regulations, 1997 ("**SEBI SAST**") read with Regulation 35 of SAST in the scrip of Shree Ashtavinayak Cine Vision Limited. SEBI vide order dated March 28, 2018 dropped proceedings against ISL.

(c) IIFL Insurance Brokers Limited ("IIIBL") (Formerly India Infoline Insurance Brokers Limited)

(i) Criminal proceedings against IIIBL

1) A first information report bearing no. 25/2015 dated September 16, 2015 ("**FIR**") was lodged by Ravindra Nath Gangele at the Cyber and Hi-Tech Crime Police Station, Bhopal, against IIIBL

alleging mis-selling of insurance. IIIBL has replied to the notice and requisition received from the police in connection with the FIR and no further communication has been received.

2) A first information report having bearing no. 235/2014 dated July 17, 2014 ("**FIR**") was lodged by Shailendra Singh at Shakespeare Sarani, Police Station, Kolkata, against IIIBL and others, alleging mis-selling of insurance. IIIBL has replied to the notice and requisition received from the police in connection with the FIR and no further communication has been received.

3) A first information report bearing no. 396/2015 dated November 21, 2015 ("**FIR**") was registered by Chandodoy Ghosh at Shakespeare Sarani, Police Station, Kolkata, against IIIBL and others, alleging mis-selling of insurance. IIIBL has replied to the notice and requisition received from the police and no further communication has been received.

(ii) Legal action taken by statutory or regulatory authorities against IIIBL

A. Insurance Regulatory Development Authority ("**IRDA**") issued a show cause notice dated July 02, 2013 ("**SCN**") alleging that upon conducting inspection on insurance broking business of IIIBL during the period November 2009 to March 2012, IIIBL was found to be non-compliance with the provisions of Insurance (Brokers) Regulations, 2013. IIIB submitted detailed reply to the SCN vide its letter dated July 11, 2013. Subsequent thereto, IRDA refused to accord renewal of license vide order dated October 28, 2013 ("**Refusal Order**"). IIIBL filed an appeal against the Refusal Order with the Chairman of the IRDA. The Chairman, admitting the appeal, renewed the license with retrospective effect for the period 2011-14 and levied a penalty of Rs. 0.35 million on IIIBL.

B. Vide letter dated November 26, 2016, the Insurance Regulatory Development Authority levied a penalty of Rs.1.70 million on IIIBL on account of non-compliance with the provisions of Insurance (Brokers) Regulations, 2013. IIIBL has duly paid the penalty.

(d) IIFL Facilities Services Limited (Formerly known as IIFL Realty Limited) ("IFSL")

(i) Criminal proceedings filed by IFSL

IFSL has filed three proceedings against defaulting vendors under Section 138 of the Negotiable Instruments Act, 1881, for dishonour of cheques in various courts. The aggregate of claim amounts filed by IFSL is approximately Rs.7.5 million. The matters are pending before the courts for adjudication.

(ii) Civil proceedings by IFSL

IFSL has filed claim Petition no. 11/2012 in RP No.102/2011 before Debt Recovery Tribunal – Hyderabad ("**DRT**") in the matter of Original Application No.272/2002 ("**O.A**") filed by Andhra Bank Limited ("**ABL**") on June 20, 2002 for recovery of Rs.50.94 million ("**Claim Amount**") together with interest *pendent lite* and future interest at the rate 16% per annum with quarterly rests and for costs against Valluripalli Nagarjun and Koneru Raj Kumar ("**Defendants**") for the loan amount of Rs.60 million advanced to Defendants against equitable mortgage by deposit of title deeds of certain immovable properties situated at Saifabad, Hyderabad ("**mortgaged property**"). In the said petition IFSL prayed for vacating the attachment of mortgaged property and staying all further proceedings in RP.No.102/2011 in the Original Application filed by ABL, which prayer the DRT was pleased to grant ("**IFSL Order**"). Further, IFSL filed Recovery Appeal 1 of 2015 against the Claim Petition No. 11 of 2012 in Recovery Petition No.102 of 2011 in the Original Application. ABL filed Revision Application No. 1/2015 seeking to set aside the IFSL Order and restore attachment of the mortgaged property. The Recovery Officer modified and issued the recovery certified for an amount of Rs. 0.71 million and stayed the auction of the mortgaged property. The matter is presently pending hearing with the Recovery Officer.

(iii) Civil proceedings against IFSL

A civil suit was filed by Abhijit Kabir ("**Plaintiff**") in the High Court of Bombay involving a claim amount of Rs.460 million. IFSL and 14 others, principally seeking injunctive relief against the respondents. The said suit is pending before the High Court at Bombay.

(e) IIFL Management Services Limited ("IMSL")

(i) Criminal proceedings against IMSL

A complaint dated October 18, 2013 was filed by Gouri Manjunath Jonniya before Chief Judicial Magistrate, Nagpur, against IMSL and its directors. Nirmal Bhanwarlal Jain and Venkataraman Rajamani, alleging, inter alia, cheating, forgery, criminal breach of trust and misuse of her insurance license under Sections 406, 420 and 464 of the Indian Penal Code, 1860. The Chief Judicial Magistrate, Nagpur passed an order of issuance of process on January 31, 2014. Aggrieved by the order of the Chief Judicial Magistrate, Nagpur, IMSL filed a revision application before the Sessions Court, Nagpur on April 04, 2014 for quashing and setting aside the order of issuance of process. The Sessions Court, Nagpur vide its order dated June 6, 2014 admitted the revision application and stayed the proceedings before the Chief Judicial Magistrate, Nagpur. The case is presently pending before the Sessions Court, Nagpur for hearing.

(f) IIFL Home Finance Limited ("IIHFL") (Formerly India Infoline Housing Finance Limited)

(i) Criminal proceedings against IIHFL

A. An FIR dated November 16, 2015 was registered by Ramesh Janjani at the Adarsh Nagar Ajmer Police Station against the employees of IIHFL for the offence of, inter alia, cheating and criminal breach of trust. The FIR is presently being investigated by the police.

B. A petition dated April 3, 2018 was filed by Kajal Gupta ("**KG**") before the High Court at Chandigarh ("**Court**") against IIHFL seeking transfer of complaint filed by IIHFL under section 138 of the Negotiable Instrument Act, 1881. The KG is in default in repayment of Rs. 18.75 million in relation to a loan availed by KG from IIHFL. IIHFL is contesting the matter and the matter is pending before the Court.

(ii) Criminal proceedings by IIHFL

1) IIHFL has initiated 12,770 proceedings against various borrowers under Section 138 of the Negotiable Instruments Act, 1881 and Section 25 of Payment and Settlement System Act, 2007, for dishonour of cheques/ electronic clearance service/ automated clearing house caused due to insufficiency of funds in the customers' account and for certain other reasons, involving an amount of Rs. 3443.34 million. The matters are pending before various courts at various stages of adjudication.

2) IIHFL, in relation to its home loan / loan against property portfolio, has lodged 3 first information reports ("**FIRs**") against the borrowers for offences of, inter alia, cheating and criminal breach of trust under the provisions of the Indian Penal Code involving an amount of Rs. 32.12 million. The FIRs are presently pending before various police stations at various stages of investigation.

3) IIHFL, in relation to its loan / loan against property portfolio, has lodged 2 first information reports ("**FIRs**") against the borrowers for offences of, *inter alia*, cheating under the provisions of the Indian Penal Code involving an amount of Rs. 28.88 million. The FIRs matters are presently pending before various police stations at various stages of investigation.

4) IIHFL, in relation to its loan portfolio / loan against property, has lodged 1 first information reports ("**FIRs**") against the borrowers for offences of, inter alia, criminal trespass under the provisions of the Indian Penal Code involving an amount of Rs. 26.34 million. The FIRs are presently pending before various police stations at various stages of investigation.

(iii) Civil proceedings by IIHFL

A. An arbitration proceeding was initiated by IIHFL on July 7, 2018 before a sole arbitrator at New Delhi, against Krishna Prasad P V ("**Krishna Prasad**") under the provisions of the Arbitration and Conciliation Act, 1996, seeking recovery of Rs. 36.53 million advanced to Krishna Prasad towards home loan / loan against property facility. The arbitration proceeding is presently under adjudication before the sole arbitrator.

B. An arbitration proceeding was initiated by IIHFL on July 7, 2018 before a sole arbitrator at New Delhi, against O Krihsna Ceramic Choice ("**OKC**") under the provisions of the Arbitration and Conciliation Act, 1996, seeking recovery of Rs. 24.26 million advanced to OKC towards home loan/loan against property facility. The arbitration proceedings is presently under adjudication before the sole arbitrator.

C. An arbitration proceeding was initiated by IIHFL on July 7, 2018 before a sole arbitrator at New Delhi, against Selvanair D ("**SD**") under the provisions of the Arbitration and Conciliation Act, 1996, seeking recovery of Rs. 13.42 million advanced to SD towards home loan / loan against property facility. The arbitration proceeding is presently under adjudication before the sole arbitrator.

D. An arbitration proceeding was initiated by IIHFL on May 21, 2018 before a sole arbitrator at New Delhi, against Tanveer Pasha ("**TP**") under the provisions of the Arbitration and Conciliation Act, 1996, seeking recovery of Rs. 14.72 million advanced to TP towards home loan facility / loan against property. An award has been passed in this matter by the sole arbitration and the same is pending execution.

(iv) Civil proceedings against IIHFL

1) An injunction application dated July 9, 2018 was filed by M/s. India Market Softech Private Limited ("**IMSPL**") before the High Court, at Chandigarh ("**Court**") against IIHFL. IMSPL is in default in repayment of Rs. 10.42 million in relation to a loan availed by IMSPL. IIHFL is contesting the matter and the matter is pending before the Court.

2) An injunction application dated August 22, 2017 was filed by Bharatkumar Tharumal Somai ("**BTS**") before the City Civil Court, at Ahmedabad ("**Court**") against IIHFL. BTS is in default in repayment of Rs. 14.36 million in relation to a loan availed by BTS. IIHFL is contesting the matter and the matter is pending before the Court.

3) An application dated June 6, 2018 was filed by Kiran Ravindra Dhumal ("**KRD**") before the Debt Recovery Tribunal, at Pune ("**DRT**") against IIHFL challenging the demand notice dated May 31, 2017 and the possession notice dated September, 26 2017 ("**possession notice**"), issued by IIHFL. IIHFL had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by KRD, on account of non-repayment of Rs. 40.35 million in relation to a loan availed by KRD. IIHFL is contesting the matter and the matter is pending before the DRT.

4) An application dated May 1, 2018 was filed by Supreet Business Enterprises before the Debt Recovery Tribunal, at Hyderabad ("**DRT**") against IIHFL challenging the demand notice dated March 19, 2015 and the possession notice dated June 29, 2015 ("**possession notice**"), issued by IIHFL. IIHFL had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by Sethi Housing India Private Limited ("**SHIPL**"), on account of non-payment of Rs. 40.29 million in relation to a loan availed by SHIPL. IIHFL is contesting the matter and the matter is pending before the DRT.

5) An application dated July 16, 2018 was filed by O.K. Matching Centre before the Debt Recovery Tribunal, at Ahmedabad ("**DRT**") against IIHFL challenging the demand notice dated August 29, 2017 and the possession notice dated January 16, 2018 ("**possession notice**"), issued by IIHFL. IIHFL had issued the possession notice in accordance with the provisions of the SARFAESI Act, for the possession and sale of the property mortgaged by Ramsingbhai Laxmanbhai Makwana ("**RLM**"), on account of non-repayment of Rs. 12.74 million in relation to a loan availed by RLM. IIHFL is contesting the matter and the matter is pending before the DRT.

6) An injunction application dated July 23, 2017 was filed by Kanjibhai Kurjibhai Patel before the Civil Court, at Ahmedabad ("**Court**") against IIHFL. This is in relation to the default by Mihir Pravinchandra Desai ("**MPD**") in repayment of Rs. 27.86 million loan availed by MPD. IIHFL is contesting the matter and the matter is pending before the Court.

(g) IIFL Wealth (UK) Limited ("IIFL UK")

A civil suit has been filed in High Court of Justice, Business and Property courts of England and Wales, Queens Bench division, Commercial Court ("**Court**") against IIFL UK, Ramu Ramasamy, Palaniyapan Ramasamy and Amit Shah ("**Defendants**") by Prashant Hasmukh Manek, Sanjay Chandi and EAGM Ventures (India) Private Limited ("**Claimants**"). The Claimants claim that they had agreed to sell their shares in Hermes i-Tickets Private Limited to Great Indian Retail Private Limited as a result of representations purportedly made by the Defendants. IIFL UK and Amit Shah filed a joint statement of defence with the Court and also responded to Claimants' request for further information. In June 2018, the Claimants filed their reply to the joint statement of defence with the Court. The claim amount in the matter is EUR 26.**53** million and a further sum to be assessed in respect of consequential losses relating to the earn out consideration. IIFL UK is contesting the matter and the matter is pending before the Court.

(h) IIFL Wealth Finance Limited ("IIFLWFL")

A. A commercial arbitration petition has been filed in the Bombay High Court ("**Court**") against IIFLWFL by Ecogreen Cleantech Private Limited ("**P1**") and D N Niranjan Kani ("**P2**") (P1 and P2 "**Petitioners**"). P1 had signed a master financing agreement with IIFL WFL to avail loan. Unlisted equity shares held by P2 had been offered as security. IIFL WFL sent margin shortfall notices to P1. Apprehending that IIFL WFL will sell the security, the Petitioners approached the Court. Pending the outcome of the arbitration, the Petitioners prayed for: (i) restraining IIFL WFL from demanding repayment of the loan (ii) restraining IIFL WFL from selling the security. IIFLWFL is contesting the matter and the matter is pending before the Court.

B. A commercial arbitration petition has been filed in the Bombay High Court ("**Court**") against IIFLWFL by Holista Tranzworld Private Limited ("**P1**") and D N Niranjan Kani ("**P2**") (P1 and P2 "**Petitioners**"). P1 had signed a master financing agreement with IIFL WFL to avail loan. Unlisted equity shares held by P2 had been offered as security. IIFL WFL sent margin shortfall notices to P1. Apprehending that IIFL WFL will sell the securities, the Petitioners approached the Court. Pending the outcome of the arbitration, the Petitioners prayed for: (i) restraining IIFL WFL from demanding repayment of the loan (ii) restraining IIFL WFL from selling the security. IIFLWFL is contesting the matter and the matter is pending before the Court.

(i) IIFL Capital Inc. ("IIFCI")

IIFCI is registered as a broker dealer with the Financial Industry Regulatory Authority, United States of America ("**FINRA**"). IIFCI, for a period of time, missed to meet the regulatory minimum net capital requirement, due to an inadvertent miss - classification of receivables in books of accounts. IIFCI settled the non-compliance by payment of USD 15,000 to FINRA and since then has duly complied with minimum net capital requirement.

(j) Key Managerial Personnel of our Company

Save and except the litigations against our Directors and KMPs disclosed in the section titled as "*Outstanding Litigations and Other Defaults"* on page 196 of this Draft Shelf Prospectus, there are no litigations pending or taken against the KMPs of our Company.

5. Taxation

Details of tax proceedings against our Company and the group companies

(i) Our Company

Our Company has earned exempt income i.e. dividend during the period AY 2009-10 to AY 2014-15, being 6 different assessment years. The assessing officer has disallowed expenses in relation to the exempt income earned as per Section 14A of Income Tax Act by applying Rule 8D of Income Tax Rules. The total tax impact of such disallowance amounts to Rs. 140 million. Our Company has filed the appeal against such disallowances made under Section 14A of the Income Tax Act and the matters are pending for disposal before various Income Tax Appellate Authorities.

(ii) Our group companies

Entity	No. of Cases		Amount Involved (Rs. in million)	Amount Involved (Rs. in million)
	Direct	In	Direct Tax	Indirect Tax
IIFL Home Finance Limited	1	-	1.46	-
IIFL Holdings Limited	6	6	362.57	431.84
IIFL Securities Limited	1	1	22.41	182.87
IIFL Facilities Services Limited	-	1	-	2.50
IIFL Commodities Limited	-	1	-	6.52

6. Reservations or qualifications or adverse remarks of the auditors of our Company in the last five financial years:

Nil

7. Details of acts of material frauds committed against our Company in the last five years immediately preceding the date of this Draft Shelf Prospectus, if any, and if so, the action taken by our Company

Details of fraud committed against our Company in the last five financial years up to the date do this Draft Shelf Prospectus is set forth below:

Financial Year	April 1, 2018 upto November 20, 2018	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Nature of Frauds	The frauds included pledging of spurious/stolen gold by customers, misappropriation of our Company's funds by our staff and valuer and cash shortages	The frauds included pledging of spurious/stolen gold by customers and misappropriation of our Company's funds by our staff and valuer.	The frauds included pledging of spurious/stolen gold by customers and misappropriation and theft by our Company's staff by replacing original gold with spurious gold.	The frauds included pledging of spurious/stolen gold by customers, misappropriation of our Company's funds by our staff, theft of gold loan packet by employees and disbursal of loans to third parties by branch manager in collusion with outsiders.	The frauds included pledging of spurious/stolen gold by customers, misappropriation of cash by branch staff for personal purpose, missing packets of gold and cash shortages.	The frauds included pledging of spurious/stolen gold by customers, robbery of gold packets, dacoity at the branch, misappropriation and criminal breach of trust.
Aggregate amount involved (Rs. in million)	8.44	3.72	4.67	1.33	4.15	2.81
	Corrective actions taken by our Company: In all these cases, our Company has conducted detailed inquiry into the frauds and analyzed the causes of such frauds. Based on the analysis, requisite corrective actions like strengthening of controls and internal processes have been taken wherever required. In case of involvement of the employees of our Company in a fraud, on a case-to-case basis, appropriate disciplinary action, including termination has been taken. Police complaints have been filed against such delinquents. Our Company also has in place a robust framework for prevention and timely detection of fraud which includes dual valuation of gold pre-disbursement, verification / declaration of ownership of gold, independent surprise audits, mystery shopping / penetration testing, etc. We continue to further enhance our systems and processes and take proactive actions to deter frauds and offences.					

8. **Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues; debentures and interests thereon; deposits and interest thereon; and loan from any bank or financial institution and interest thereon.**

   NIL

9. **Pending proceedings initiated against our Company for economic offences**

   NIL

10. **Details of inquiries, inspections or investigations initiated or conducted under the Companies Act, 1956 or the Companies Act, 2013 against our Company and its Subsidiaries in the last five years along with section wise details of prosecutions filed (whether pending or not), fines imposed or compounding of offences against our Company and its Subsidiaries in the last five years.**

    NIL

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

At the meeting of the Board of Directors of our Company held on October 31, 2018, the Board of Directors approved the issuance of Secured NCDs of the face value Rs.1000 each and Unsecured NCDs of the face value Rs. 1000 each, aggregating up to Rs.50,000 million ("**Shelf Limit**") to the public, hereinafter called the "**Issue**".

Further, the present borrowing is within the borrowing limits of Rs.350,000 million under Section 180(1)(c) of the Companies Act, 2013 duly approved by the members of Company at the EGM held on March 23, 2018.

Prohibition by SEBI

The Company, persons in control of the Company and/or the Promoters and/or the Directors have not been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. Further, no member of the IIFL Group has been prohibited or debarred by SEBI from accessing the securities market or dealing in securities due to fraud.

Willful Defaulter

Our Company, our Directors and/or our Promoters have not been categorised as a willful defaulter by the RBI, ECGC, any government/regulatory authority and/or by any bank or financial institution nor are they in default of payment of interest or repayment of principal amount in respect of debt securities issued to the public, for a period of more than six-months.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKERS, EDELWEISS FINANCIAL SERVICES LIMITED, IIFL HOLDINGS LIMITED*, ICICI SECURITIES LIMITED, AND TRUST INVESTMENT ADVISORS PRIVATE LIMITED HAVE CERTIFIED THAT DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKERS, EDELWEISS FINANCIAL SERVICES LIMITED, IIFL HOLDINGS LIMITED*, ICICI SECURITIES LIMITED, AND TRUST INVESTMENT ADVISORS PRIVATE LIMITED HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [●] WHICH READS AS FOLLOWS:

(for the purposes of due diligence certificate, term 'Prospectus' shall constitute Shelf Prospectus and Tranche 1 Prospectus).

*****IIFL Holdings Limited is our associate as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended (Merchant Bankers Regulations). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, IIFL Holdings Limited would be involved only in marketing of the Issue*

Disclaimer Clause of BSE

BSE LIMITED ("THE EXCHANGE") HAS GIVEN, VIDE ITS LETTER DATED [●], PERMISSION TO THIS COMPANY TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS COMPANY'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS COMPANY. THE EXCHANGE DOES NOT IN ANY MANNER:

A. WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; OR

B. WARRANT THAT THIS COMPANY'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; OR

C. TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS COMPANY, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS COMPANY;

AND IT SHOULD NOT FOR ANY REASON BE DEEMED OR CONSTRUED THAT THIS OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY THE EXCHANGE. EVERY PERSON WHO DESIRES TO APPLY FOR, OR OTHERWISE ACQUIRES ANY SECURITIES OF THIS COMPANY MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE EXCHANGE WHATSOEVER BY ANY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION/ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR FOR ANY OTHER REASON WHATSOEVER.

Disclaimer Clause of NSE

AS REQUIRED, A COPY OF THIS OFFER DOCUMENT HAS BEEN SUBMITTED TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED (HEREINAFTER REFERRED TO AS "NSE"). NSE HAS GIVEN VIDE ITS LETTER REF.: [●] DATED [●] PERMISSION TO THE ISSUER TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS ISSUER'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS DRAFT OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS ISSUER. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE AFORESAID PERMISSION GIVEN BY NSE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY NSE; NOR DOES IT IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; NOR DOES IT WARRANT THAT THIS ISSUER'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; NOR DOES IT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS ISSUER, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS ISSUER. EVERY PERSON WHO DESIRES TO APPLY FOR OR OTHERWISE ACQUIRE ANY SECURITIES OF THIS ISSUER MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE EXCHANGE WHATSOEVER BY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION /ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR ANY OTHER REASON WHATSOEVER.

Disclaimer clause of RBI

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED MAY 12, 2005 ISSUED BY THE RESERVE BANK OF INDIA UNDER SECTION 45I-A OF THE RESERVE BANK OF INDIA ACT, 1934. IT MUST BE DISTINCTLY UNDERSTOOD THAT THE ISSUING OF THIS CERTIFICATE AND GRANTING A LICENSE AND APPROVAL BY RBI IN ANY OTHER MATTER SHOULD NOT IN ANY WAY, BE DEEMED OR CONSTRUED TO BE AN APPROVAL BY RBI TO THIS DRAFT SHELF PROSPECTUS NOR SHOULD IT BE DEEMED THAT RBI HAS APPROVED IT.

HOWEVER, THE RESERVE BANK OF INDIA DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO FINANCIAL SOUNDNESS OF THE COMPANY OR CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINIONS EXPRESSED BY THE COMPANY AND FOR REPAYMENT OF DEPOSITS / DISCHARGE OF LIABILITIES BY THE COMPANY.

Track record of past public issues handled by the Lead Managers

The track record of past issues handled by the Lead Managers, as required by SEBI circular number CIR/MIRSD/1/2012 dated January 10, 2012, are available at the following websites

Name of Lead Manager	Website
Edelweiss Financial Services Limited	www.edelweissfin.com
IIFL Holdings Limited	www.iiflcap.com
ICICI Securities Limited	www.icicisecurities.com
Trust Investment Advisors Private Limited	www.trustgroup.in

Listing

An application has been made to the Stock Exchanges for permission to deal in and for an official quotation of our NCDs. BSE has been appointed as the Designated Stock Exchange. If permissions to deal in and for an official quotation of our NCDs are not granted by BSE, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of this Draft Shelf Prospectus.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange mentioned above are taken within 6 Working Days from the date of closure of the relevant Issue.

For the avoidance of doubt, it is hereby clarified that in the event of under subscription to any one or more of the series, such NCDs with series shall not be listed

Consents

Consents in writing of: (a) the Directors, (b) Company Secretary and Compliance Officer, (c) Chief Financial Officer,(d) Lead Managers, (e) the Registrar to the Issue, (f) Legal Advisor to the Issue, (g) CRISIL, (h) BWR (i) ICRA (j) ICRA in relation to industry reports as obtained from them, (k) the Debenture Trustee (l) Banker to the Issue in respective tranche, to act in their respective capacities, have been obtained and will be filed along with a copy of the Shelf Prospectus and Tranche Prospectus with the ROC.

The consent of the Statutory Auditors of our Company, M/s. Deloitte Haskins & Sells LLP, for (a) inclusion of their names as the Statutory Auditors, (b) examination reports on Reformatted Summary Financial Statements in the form and context in which they appear in this Draft Shelf Prospectus, have been obtained and has not withdrawn such consent and the same will be filed along with a copy of the Shelf Prospectus with the RoC.

The consent from an independent chartered accountant namely Pritesh Mehta & Co., Chartered Accountants to include their name in respect of the statement of tax benefits dated November 13, 2018, in the form and context in which they appear in this Draft Shelf Prospectus, have been obtained and has not withdrawn such consent and the same will be filed along with a copy of the Shelf Prospectus with the RoC.

Expert Opinion

Except for the following, our Company has not obtained any expert opinions in connection with this Draft Shelf Prospectus:

1. Our Company has received consent dated November 23, 2018 from its Statutory Auditors namely M/s. Deloitte Haskins & Sells LLP to include their name as required under Section 26 (1) (v) of the Companies Act, 2013 and as '*Expert*' as defined under Section 2(38) of the Companies Act, 2013 in this Draft Shelf Prospectus in respect of Examination Report on Reformatted Summary Financial Statements and the Limited Review Financial Statements.

2. Our Company has received consent from an independent chartered accountant namely Pritesh Mehta & Co., Chartered Accountants to include their name as required under Section 26 (1) (v) of the Companies Act, 2013 and as '*Expert*' as defined under Section 2(38) of the Companies Act, 2013 in this Draft Shelf Prospectus in respect of the statement of tax benefits dated November 13, 2018 included in this Draft Shelf Prospectus and such consent has not been withdrawn as on the date of this Draft Shelf Prospectus.

3. Our Company has received consent from BWR to act as the credit rating agency to the Issue and an expert as defined under Section 2 (38) of the Companies Act, 2013 vide their letters dated October 31, 2018.

Common form of Transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs and the provisions of the Companies Act, 2013 applicable as on the date of this Draft Shelf Prospectus and all applicable laws shall be duly complied with in respect of all transfer of debentures and registration thereof.

Minimum Subscription

Under the SEBI Debt Regulations, our Company may stipulate a minimum subscription amount which it seeks to raise. The SEBI has by its circular, CIR/IMD/DF/12/2014 dated June 17, 2014 prescribed the minimum subscription for debt securities as 75% of the base issue. If our Company does not receive the minimum subscription of 75% of the Base Issue, prior to the Issue Closing Date, the entire subscription amount shall be refunded to the Applicants within six days from the date of closure of the Issue provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within 6 working days from the Issue Closing Date, failing which the Company will become liable to refund the Application Amount along with interest at the rate 15% per annum for the delayed period.

Filing of this Draft Shelf Prospectus

In terms of Regulation 7 of the SEBI Debt Regulation, a copy of this Draft Shelf Prospectus has been filed with the Designated Stock Exchange and BSE, for dissemination on their website and the website of SEBI.

Filing of the Shelf Prospectus and Tranche Prospectus with the RoC

A copy of the Shelf Prospectus and the Tranche Prospectus shall be filed with the RoC in accordance with Section 26 and Section 31 of the Companies Act, 2013.

Debenture Redemption Reserve

Section 71 of the Companies Act, 2013, read with Rule 18 made under Chapter IV of the Companies Act, 2013, requires that any company that intends to issue debentures must create a DRR for the purpose of redemption of debentures, in accordance with the following conditions: (i) the DRR shall be created out of the profits of our Company available for payment of dividend,(ii) the DRR shall be equivalent to at least 25% of the value of the outstanding debentures issued through the public issue in accordance with the SEBI Debt Regulations. Accordingly our Company is required to create a DRR of 25% of the value of the outstanding NCDs issued through the Issue. In addition, as per Rule 18 (7) (e) under Chapter IV of the Companies Act, 2013, the amounts credited to DRR shall not be utilised by our Company except for the redemption of the NCDs. Every company required to create or maintain DRR shall on or before the 30th day of April of each year, deposit or invest, as the case may be, a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March, of the next year, following any one or more of the following methods: (i) in deposits with any scheduled bank, free from charge or lien; (ii) in unencumbered securities of the Central Government or of any State Government; (iii) in unencumbered securities mentioned in clauses (a) to (d) and (ee) of Section 20 of the Indian Trusts Act, 1882; (e) in unencumbered bonds issued by any other company which is notified under clause (f) of Section 20 of the Indian Trusts Act, 1882. The amount deposited or invested, as the case may be, shall not be utilised for any purpose other than for the repayment of debentures maturing during the year referred to above, provided that the amount remaining deposited or invested, as the case may be, shall not at any time fall below 15% of the amount of debentures maturing during the year ending on the 31st day of March of that year. This may have a bearing on the timely redemption of the NCDs by our Company.

Issue Related Expenses

The estimated breakdown of the total expenses for each Tranche Issue shall be as specified in the relevant Tranche Prospectus.

Utilisation of Proceeds

Our Board of Directors certifies that:

(i) all monies received out of the Issue of the NCDs to the public shall be transferred to a separate bank account maintained with a scheduled bank;

(ii) details of all monies utilised out of the Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies were utilised;

(iii) details of all unutilised monies out of the Issue referred to in sub-item (i), if any, shall be disclosed under an appropriate separate head in our balance sheet indicating the form in which such unutilised monies have been invested;

(iv) we shall utilize the Issue proceeds only upon creation of security as stated in this Draft Shelf Prospectus in the section titled *"General Terms of the Issue"* on page 236 of this Draft Shelf Prospectus and after (a) permissions or consents for creation of *pari passu* charge have been obtained from the creditors who have *pari passu* charge over the assets sought to be provided as Security; (b) receipt of the minimum subscription of 75% of the Base Issue amount; (c) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (d) creation of security and confirmation of the same in terms of Secured NCDs and (e) receipt of listing and trading approval from BSE and NSE;

(v) the allotment letters shall be issued or application money shall be refunded within the time specified in section titled "*Issue Procedure*" or such lesser time as may be prescribed by SEBI, else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period;

(vi) the Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any property; and

(vii) the Issue proceeds shall be utilized in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other statutory authority from time to time.

The funds raised by us from previous bonds issues have been utilised for our business as stated in the respective offer documents.

Reservation

No portion of this Issue has been reserved.

Public / Rights Issues of Equity Shares

Our Company has not made any public or rights issuances of Equity Shares in the last five years from the date of this Draft Shelf Prospectus.

Utilisation details of Previous Public Issues

Our Company has utilized the proceeds of the previous public issues, inter alia, towards onwards lending, working capital requirement and more specifically as mentioned in the prospectus of the respective issue. Please see below details of past issuances:

Particulars	Issue - 1	Issue - 2	Issue - 3
Date of Opening	August 4, 2011	September 5, 2012	September 17, 2013
Date of Closing	August 8, 2011	September 7, 2012	September 23, 2013
Total Issue Size	Rs. 7,500 million	Rs. 5,000 million	Rs. 10,500 million
Date of Allotment	August 18, 2011	September 18, 2012	September 30, 2013

Net Utilization of Issue	For various financing activities including lending, providing loans against securities and investments, towards repayment of existing loans and for business operations including capital expenditure, general corporate purposes and working capital requirements.	For various financing activities including onward lending and investments, to repay existing loans and for business operations including our capital expenditure and working capital requirements.	For various financing activities including onward lending and investments activity, to repay existing loans and for business operations including our capital expenditure and working capital requirements.

Public Issue / Rights issue by other related parties

5paisa Capital Limited has filed draft letter of offer with NSE, BSE and SEBI on September 17, 2018 for the proposed Rights Issue to its existing shareholders in the ratio of 1 equity share of Rs.10 each for every 1 equity share of Rs.10 each held in the Company at a premium of Rs.70 per share i.e. issue price of Rs.80 each aggregating to Rs.1019.1 million in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.

Details of overall lending by our Company as of March 31, 2018 on a standalone basis.

A. Type of loans:

The detailed break-up of the loan assets under management outstanding as on March 31, 2018 is as follows:

(Rs. in million)

S. No.	Type of Loans	Amount
1.	Secured Loan Portfolio	143,130.28
2.	Unsecured Loan Portfolio	17,532.52
	Asset under Management ("AUM")	**160,662.80**

B. Sectoral exposure as on March 31, 2018:

S. No.	Segment wise break up of AUM	Percentage of AUM
1.	**Retail**	
	(a) Mortgages (Home loans and loans against properties)	11%
	(b) Gold loans	25%
	(c) Vehicle loans	25%
	(d) MFI	NA
	(e) MS&ME	14%
	(f) Capital market funding (loan against shares, margin funding)	7%
	(g) Others	NA
2.	**Wholesale**	
	(a) Infrastructure	NA
	(b) Real Estate (including builder loans)	18%
	(c) Promoter funding	NA
	(d) Others	NA
	Total	**100%**

C. Residual Maturity Profile of Assets and Liabilities as on March 31, 2018

(Rs. in million)

Particulars	Upto 30/31 days	Over 1 monthupto 2 month	Over 2 months upto 3 months	Over 3 months &upto 6 months	Over 6 months &upto 1 year	Over 1 year &upto 3 year	Over 3 year &upto 5 year	Over 5 years	Total

Deposits	-	-	-	-	-	-	-	-	-
Advances	7,903.14	7,967.38	7,693.43	18,433.78	32,509.68	47,126.04	7,439.42	6,069.70	135,142.57
Reserves and Surplus	-	-	-	-	-	-	-	32,146.92	32,146.92
Investment	5,702.62	195.69	-	220.47	3,340.50	9,361.96	3,754.48	8,469.21	31,044.93
Borrowings	9,213.98	38,571.87	28,496.58	10,224.04	7,600.22	36,277.92	13,088.37	1,600.00	145,072.98
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

D. Denomination of the loans outstanding by ticket size as on March 31, 2018

S. No.	*Ticket Size*	*Percentage of AUM*
1.	Upto Rs. 0.2 million	22%
2.	Rs. 0.2 million to Rs. 0.5 million	8%
3.	Rs. 0.5 million to Rs. 1 million	8%
4.	Rs. 1 million to Rs. 2.5 million	15%
5.	Rs. 2.5 million to Rs. 5 million	10%
6.	Rs. 5 million to Rs. 10 million	2%
7.	Rs. 10 million to Rs. 50 million	7%
8.	Rs. 50 million to Rs. 250 million	6%
9.	Rs. 250 million to Rs. 1000 million	17%
10.	Above Rs. 1000 million	5%
	Total	**100%**

E. Denomination of loan outstanding by LTV as on March 31, 2018

S. No.	**LTV**	**Percentage of AUM***
1.	Up to 40%	12%
2.	40% - 50%	14%
3.	50% - 60%	8%
4.	60% - 70%	18%
5.	70% - 80%	28%
6.	80% - 90%	14%
7.	More than 90%	6%
	Total	**100%**

****Percentage of AUM of secured lending book***

F. Geographical Classification of IIFL's borrowers as on March 31, 2018

S. No.	**Top five States**	**Percentage of AUM**
1.	Maharashtra	28%
2.	Gujarat	11%
3.	Delhi	11%
4.	Andhra Pradesh	9%
5.	Rajasthan	6%
	Others	**35%**
	Total	**100%**

G. Details of top 20 borrowers with respect to concentration of advances as on March 31, 2018

(Rs. in million)

Particulars	**Details**
Total advances to twenty largest borrowers	26,099.02

Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	17.22%

H. Details of top 20 borrowers with respect to concentration of exposure as on March 31, 2018

(Rs. in million)

Particulars	Details
Total advances to twenty largest borrowers	26,443.76
Percentage of exposure to twenty largest borrowers to total exposure of the NBFC	17.25%

I. Details of loans overdue and classified as non-performing in accordance with RBI's guidelines as on March 31, 2018:

(Rs. in million)

Movements of Gross NPA	Amount
Opening balance of gross NPAs	2987.34
Additions during the year	3074.69
Reductions during the year	2218.32
Closing balance of gross NPAs	3843.71

(Rs. in million)

Movements of provisions for NPA	Amount
Opening balance	2100.00
Provisions made during the year	621.91
Write-off/ write-back of excess provisions	752.08
Closing balance of Provision for NPAs	1969.83

J. Segment-wise gross NPA as on March 31, 2018

S. No.	Segment-wise gross NPA	Gross NPA (%)
1.	**Retail**	
	(a) Mortgages (Home loans and loans against properties)	5.48
	(b) Gold loans	0.26
	(c) Vehicle loans	4.41
	(d) MFI	NA
	(e) MS&ME	2.42
	(f) Capital market funding (loan against shares, margin funding)	0.00
	(g) Others	NA
2.	**Wholesale**	
	(a) Infrastructure	NA
	(b) Real Estate (including builder loans)	3.37
	(c) Promoter funding	NA
	(d) Others	NA

K. Details of loans/advances by the Company to associates, entities/person relating to the Board, senior management, Promoter.

The outstanding amount of loan given including interest accrued to one of our Subsidiary i.e. Samasta Microfinance Limited is Rs. 953.17 million as on March 31, 2018. For more details please refer to the section titled *"Financial Statements"* on page 169 of this Draft Shelf Prospectus.

L. Onward lending to borrowers forming part of the "Group" as defined by RBI:

Nil

M. Concentration of Exposure and NPA as of March 31, 2018

(Rs. in million)

Particulars	Amount
Concentration of Exposures	
Total advances to twenty largest borrowers	26,443.76
Percentage of exposure to twenty largest borrowers to total exposure of the NBFC	17.25%
Concentration of NPAs	
Total exposure to top four NPA accounts	1,475.81

N. Debt Equity Ratio of the Company on an standalone basis

(Rs. in million)

Particulars	Pre issue as at September 30, 2018	Proposed proceeds from the issue	Post issue
Debt			
Debt Securities	28,501.02	40,000.00	68,501.02
Borrowings (Other than Debt Securities)	125,727.70	-	125,727.70
Subordinated Liabilities	8,142.20	10,000.00	18,142.20
Total Debt (A)	**162,370.92**	**50,000.00**	**212,370.92**
Equity			
Equity and Share Capital	-	-	-
Other Equity	2,808.02	-	2,808.02
Non Controlling Interest	30,763.40	-	30,763.40
Total Equity (B)	**33,571.41**	**-**	**33,571.41**
Debt / Equity (A/ B)	**4.84**		**6.33**

Dividend

Dividend paid to the equity shareholders of our Company over the last five years

(Rs. in million)

Particulars		For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Equity Share Capital (Rs.in Million)		2,807.42	2,371.66	2,371.54	2,371.54	2,371.54
Face Value Per Equity Share (Rs.)	(a)	10.00	10.00	10.00	10.00	10.00
Interim Dividend on Equity Shares (Rs per Equity Share)	(b)	2.75	2.75	2.75	2.50	2.50
Total interim dividend on Equity Shares (Rs.in Million)		652.79	652.17	652.17	592.89	592.89
Dividend Declared Rate (In %)	(c=b/a)	27.50%	27.50%	27.50%	25.00%	25.00%
Dividend tax (gross) on interim dividend (Rs.in Million)		132.89	130.21	132.78	108.07	100.76

Dividend paid to the preference shareholders of our Company over the last five years.

(Rs. in million)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Preference Share Capital (Rs in Million)	-	1,183.34	3,250.00	3,250.00	-
Face Value per Preference Share (Rs.)	10.00	10.00	10.00	10.00	-

Total dividend on Preference Shares (Rs in Million)	159.16	140.39	278.75	35.97	-
Dividend tax (gross) on preference dividend (Rs.in Million)	32.40	24.52	34.11	-	-

Mechanism for redressal of investor grievances

The agreement between the Registrar to the Issue and our Company dated November 22, 2018, provides for settling of investor grievances in a timely manner and provides for retention of records with the Registrar to the Issue for a period of at least eight years from the last date of dispatch of the allotment advice, demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances. All grievances relating to the Issue may be addressed to the Registrar to the Issue or Compliance Officer of the Company giving full details such as name, address of the Applicant, number of NCDs applied for, amount paid on application and the details of Member of Syndicate or Trading Member of the Stock Exchange where the application was submitted. The contact details of Registrar to the Issue are as follows:

Link Intime India Private Limited
Address: C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai 400 083
Tel.: + 91 22 4918 6200;
Fax: + 91 22 4918 6195;
Email: iifl.ncd2018@linkintime.co.in;
Investor Grievance Email: iifl.ncd2018@linkintime.co.in;
Website: www.linkintime.co.in;
Contact Person: Shanti Gopalkrishnan
SEBI Registration No: INR000004058
CIN: U67190MH1999PTC118368

The Registrar shall endeavour to redress complaints of the investors within three (3) days of receipt of the complaint during the currency of this Agreement and continue to do so during the period it is required to maintain records under the RTA Regulations and the Company shall extend necessary co-operation to the Registrar for its complying with the said regulations. However, the Registrar shall ensure that the time taken to redress investor complaints does not exceed fifteen (15) days from the date of receipt of complaint. The Registrar shall provide a status report of investor complaints and grievances on a fortnightly basis to our Company and similar status reports will also be provided to our Company as and when required. Gajendra Thakur has been appointed as the Company Secretary and Compliance Officer of our Company for this Issue. The details of the Company Secretary and Compliance Officer for the purposes of this Issue are set out below:

Gajendra Thakur
Address: 12A-10, 13th floor, Parinee Crescenzo,
G Block, C-38 and C-39, Bandra Kurla Complex,
Bandra – East, Mumbai- 400051
Tel.: +91 22 6788 1000
Fax: +91 22 6788 1010
Email: governance@iifl.com

Investors may contact the Registrar to the Issue or the Compliance Officer in case of any pre-issue or post Issue related issues such as non-receipt of Allotment Advice, demat credit, etc.

Change in auditors of our Company during the last three years.

M/s. Deliotte Haskins & Sells LLP was appointed as the statutory auditors of our Company with effect from July 22, 2017, pursuant to the Annual General Meeting of the Shareholders held on July 22, 2017.

Previously, M/s. Sharp and Tannan Associates, was the statutory auditors of our Company.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will issue a statutory advertisement on or before the Issue Opening Date. This advertisement will contain the information as prescribed in Schedule IV of SEBI Debt Regulations in compliance with the Regulation 8(1) of SEBI Debt Regulations. Material updates, if any, between the date of filing of the Draft Shelf Prospectus with ROC and the date of release of the statutory advertisement, will be included in the statutory advertisement

Auditors' Remarks

Nil

Trading

The Equity Shares of the Company are not listed on any of the recognised stock exchanges. Debt securities issued by our Company, which are listed on BSE and NSE Wholesale Debt Market are infrequently traded with limited or no volumes. Consequently, there has been no material fluctuations in prices or volumes of such listed debt securities.

Disclaimer in respect of Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Mumbai, India.

SECTION VII – ISSUE RELATED INFORMATION

ISSUE STRUCTURE

The key common terms and conditions of the NCDs are as follows:

Issuer	India Infoline Finance Limited
Type of instrument/ Name of the security/ Seniority	(i) Secured NCDs (ii) Unsecured NCDs
Nature of the Instrument	(i) Secured NCDs of face value of Rs. 1,000 each (ii) Unsecured NCDs of face value of Rs. 1,000 each
Mode of the Issue	Public Issue
Lead Managers	Edelweiss Financial Services Limited, IIFL Holdings Limited, ICICI Securities Limited and Trust Investment Advisors Private Limited
Debenture Trustee	Catalyst Trusteeship Limited
Depositories	NSDL and CDSL
Registrar	Link In time India Private Limited
Issue	As specified in the relevant Tranche Prospectus for each Tranche Issue
Base Issue	As specified in the relevant Tranche Prospectus for each Tranche Issue
Option to Retain Oversubscription Amount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Eligible Investors	Please refer to the section titled "*Issue Procedure –Who can apply??"*on page 250 of this Draft Shelf Prospectus.
Objects of the Issue	Please refer to the section titled "*Objects of the Issue*" on page 74, of this Draft Shelf Prospectus.
Details of Utilization of the Proceeds	Please refer to the section titled "*Objects of the Issue*" on page 74, of this Draft Shelf Prospectus.
Interest Rate on each category of investor	As specified in the relevant Tranche Prospectus for each Tranche Issue
Step up/ Step Down Interest rates	As specified in the relevant Tranche Prospectus for each Tranche Issue
Interest type	As specified in the relevant Tranche Prospectus for each Tranche Issue
Interest reset process	As specified in the relevant Tranche Prospectus for each Tranche Issue
Frequency of interest payment	As specified in the relevant Tranche Prospectus for each Tranche Issue
Interest Payment date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Day count basis	Actual / Actual
Interest on application money	As specified in the relevant Tranche Prospectus for each Tranche Issue
Default Interest rate	Our Company shall pay interest in connection with any delay in allotment, refunds, listing, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws
Tenor	As specified in the relevant Tranche Prospectus for each Tranche Issue
Redemption Date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Redemption Amount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Redemption Premium / Discount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Face Value	Rs.1000 per NCD
Issue Price	Rs.1000 per NCD

Discount at which security is issued and the effective yield as a result of such discount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Put option date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Put option price	As specified in the relevant Tranche Prospectus for each Tranche Issue
Call option date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Call option price	As specified in the relevant Tranche Prospectus for each Tranche Issue
Put notification time	As specified in the relevant Tranche Prospectus for each Tranche Issue
Call notification time	As specified in the relevant Tranche Prospectus for each Tranche Issue
Minimum Application size and in multiples of NCD thereafter	As specified in the relevant Tranche Prospectus for each Tranche Issue
Market Lot / Trading Lot	The market lot will be 1 Debenture ("**Market Lot**"). Since the Debentures are being issued only in dematerialised form, the odd lots will not arise either at the time of issuance or at the time of transfer of debentures.
Pay-in date	Application Date. The entire Application Amount is payable on Application
Credit Ratings	The NCDs proposed to be issued under this Issue have been rated BWR AA+/Stable (pronounced as BWR Double A Plus with Stable outlook) for an amount of Rs.50,000 million by Brickworks Ratings India Private Limited vide their rating letter dated October 31, 2018, CRISIL AA/Stable (pronounced as CRISIL Double A rating with Stable outlook) for an amount of Rs.50,000 million by CRISIL Ratings Limited vide their rating letter dated November 1, 2018 and ICRA AA (Stable) (pronounced as ICRA Double A) for an amount of Rs.50,000 million by ICRA Limited vide their rating letter dated October 31, 2018. The aforesaid rating indicates that instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations and carry very low credit risk. The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating agency has a right to suspend or withdraw the rating at any time on the basis of factors such as new information. Please refer to *Annexures A, B and C* of this Draft Shelf Prospectus for the rationale of the above ratings.
Listing	The NCDs are proposed to be listed on BSE and NSE. The NCDs shall be listed within 6 Working Days from the date of Issue Closure.
Modes of payment	Please refer to the section titled *"Issue Procedure – Terms of Payment"* on page 250 of this Draft Shelf Prospectus.
Issuance mode of the Instrument	In dematerialised form only
Trading mode of the instrument	In dematerialised form only
Issue opening date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Issue closing date	As specified in the relevant Tranche Prospectus for each Tranche Issue ** The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated in the relevant Tranche Prospectus, except that the Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company or the Finance Committee, subject to necessary approvals. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a daily national newspaper with wide circulation on or before such earlier or initial date of Issue closure. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock

	Exchanges. For further details please refer to the section titled "*General Information*" on page 43 of this Draft Shelf Prospectus.
Record date	15 (fifteen) days prior to the relevant interest payment date, relevant Redemption Date for NCDs issued under the relevant Tranche Prospectus. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the record date and the date of redemption. In event the Record Date falls on a Sunday or holiday of Depositories, the succeeding working day or a date notified by the Company to the stock exchanges shall be considered as Record Date.
Security and asset cover	The principal amount of the Secured NCDs to be issued in terms of the Draft Shelf Prospectus, the Shelf Prospectus and/or the relevant Tranche Prospectus(es) together with all interest due and payable on the Secured NCDs, thereof shall be secured by way of first charge in favour of the Debenture Trustee on an identified immovable property and/or specified future receivables of the Company, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, except those receivables specifically and exclusively charged in favour of certain existing charge holders, such that a security cover of 100% of the outstanding principal amounts of the Secured NCDs and interest thereon is maintained at all time until the Maturity Date. For further details please refer to the section titled "*Terms of the Issue – Security*" on page 236 of this Draft Shelf Prospectus.
Issue documents	This Draft Shelf Prospectus, the Shelf Prospectus, the Tranche Prospectus read with any notices, corrigenda, addenda thereto, the Debenture Trust Deed and other documents, if applicable, and various other documents/ agreements/ undertakings, entered or to be entered by our Company with Lead Managers and/or other intermediaries for the purpose of this Issue including but not limited to the Issue Agreement, Debenture Trust Deed, the Debenture Trustee Agreement, the Tripartite Agreements, the Public Issue Account Agreement, the Registrar Agreement and the Lead Broker Agreement. For further details, please refer to "*Material Contracts and Documents for Inspection*" on page 275 of this Draft Shelf Prospectus.
Condition precedent to disbursement	Other than the conditions specified in the SEBI Debt Regulations, there are no conditions precedents to disbursement
Condition subsequent to the disbursement	Other than the conditions specified in the SEBI Debt Regulations, there are no conditions subsequent to disbursement
Events of default	Please refer to the section titled "*Terms of the Issue – Events of Default*" on page 236 of this Draft Shelf Prospectus.
Deemed date of Allotment	The date on which the Board of Directors/or the Finance Committee approves the Allotment of the NCDs for each Tranche Issue or such date as may be determined by the Board of Directors/ or the Finance Committee thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified for each Tranche Issue by way of the relevant Tranche Prospectus) shall be available to the Debenture Holders from the Deemed Date of Allotment
Roles and responsibilities of the Debenture Trustee	Please see section titled "*Terms of the Issue-Trustees for the NCD Holders*" on page 236 of this Draft Shelf Prospectus.
Governing law and Jurisdiction	The governing law and jurisdiction for the purpose of the Issue shall be Indian law, and the competent courts of jurisdiction in Mumbai, India, respectively
Working day convention	Working Day shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from Issue Closure to listing of the securities, Working Days shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai

	or a public holiday in India.If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.

SPECIFIC TERMS FOR NCDs

As specified in the relevant Tranche Prospectus

Terms of payment

The entire face value per NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB. In the event of Allotment of a lesser number of NCDs than applied for, our Company shall unblock the additional amount blocked upon application in the ASBA Account, in accordance with the terms of the respective Tranche Prospectus.

Participation by any of the above-mentioned Investor classes in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.

Applications may be made in single or joint names (not exceeding three). Applications should be made by Karta in case the Applicant is an HUF. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account (in case of Applicants applying for Allotment of the NCDs in dematerialized form) held in joint names. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form.

This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.

In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory Permissions / consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue.

For further details, see the section titled "*Issue Procedure*" on page 250 of this Draft Shelf Prospectus.

TERMS OF ISSUE

GENERAL TERMS OF THE ISSUE

Authority for the Issue

This Issue has been authorized by the Board of Directors of our Company pursuant to a resolution passed at their meeting held on October 31, 2018. Further, the present borrowing is within the borrowing limits under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders' vide their resolution dated March 23, 2018 up to an amount of Rs. 350,000 Million.

Principal Terms & Conditions of this Issue

The NCDs being offered as part of the Issue are subject to the provisions of the Debt Regulations, the Act, the Memorandum and Articles of Association of our Company, the terms of this Draft Shelf Prospectus, the Shelf Prospectus, respective Tranche Prospectus(es), the abridged prospectus, the Application Forms, the terms and conditions of the Debenture Trust Agreement and the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI/the Government of India/BSE/NSE, RBI, and/or other statutory/regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

Ranking of NCDs

The Secured NCDs would constitute secured obligations of ours and shall rank *pari passu* inter se, and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, thereof shall be secured by way of first charge in favour of the Debenture Trustee on an identified immovable property and/or specified future receivables of the Company, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, except those receivables specifically and exclusively charged in favour of certain existing charge holders, such that a security cover of 100% of the outstanding principal amounts of the Secured NCDs and interest thereon is maintained at all time until the Maturity Date. The Secured NCDs proposed to be issued under the Issue and all earlier issues of debentures outstanding in the books of our Company having corresponding assets as security, shall rank *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption.

Ranking of Unsecured NCDs

The Unsecured NCDs would constitute unsecured and subordinated obligations of the Company and shall rank *pari passu* inter se, and subject to any obligations under applicable statutory and/or regulatory requirements. The Unsecured NCDs proposed to be issued under the Issue and all earlier issues of unsecured debentures outstanding in the books of our Company, if any, shall rank *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption. The claims of the Unsecured NCD holders shall be subordinated to those of the other creditors of our Company, subject to applicable statutory and/or regulatory requirements. Our Company shall, subject to applicable RBI requirements and other applicable statutory and/or regulatory provisions, treat the Unsecured NCDs as Tier II Capital. The redemption of Unsecured NCDs is subject to the applicable RBI regulations and other statutory and regulatory requirements.

Security

The principal amount of the Secured NCDs to be issued in terms of the Draft Shelf Prospectus, the Shelf Prospectus and/or the relevant Tranche Prospectus(es) together with all interest due and payable on the Secured NCDs, thereof shall be secured by way of first charge in favour of the Debenture Trustee on an identified immovable property and/or specified future receivables of the Company, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, except those receivables specifically and exclusively charged in favour of certain existing charge holders, such that a security cover of 100% of the outstanding principal amounts of the Secured NCDs and interest thereon is maintained at all time until the Maturity Date.

Our Company intends to enter into an indenture/deed with the Debenture Trustee, **("Debenture Trust Deed")** terms of which will govern the powers, authorities and obligations of the Debenture Trustee. Our Company proposes to complete the execution and registration of the Debenture Trust Deed within three months of the closure of the Issue and shall utilize the funds only after the stipulated security has been created. Under the terms of the Debenture Trust Deed, our Company will covenant with the Debenture Trustee that it will pay the NCD Holders the principal amount

on the NCDs on the relevant redemption date and also that it will pay the interest due on NCDs on the rate specified in the relevant Tranche Prospectus(es), the respective Tranche Prospectus(es) and in the Debenture Trust Deed. The Debenture Trust Deed will also provide that our Company may withdraw any portion of the security and replace with another asset of the same or a higher value.

Debenture Redemption Reserve

Pursuant to Regulation 16 of the Debt Regulations and Section 71 (4) of the Companies Act, 2013 states that where debentures are issued by any company, the company shall create a debenture redemption reserve out of the profits of the company available for payment of dividend. Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014 as amended by Companies (Share Capital and Debentures) Third Amendment Rules, 2016, dated July 19, 2016, furtherfurther states that '*the adequacy*' of DRR for NBFCs registered with the RBI under Section 45-lA of the RBI (Amendment) Act, 1997 shall be 25% of the value of the outstanding debentures issued through a public issue as per the SEBI Debt Regulations.

Accordingly, our Company is required to create a DRR of 25% of the outstanding value of the NCDs issued through the Issue. In addition, as per Rule 18 (7) (e) under Chapter IV of the Companies Act, 2013, the amounts credited to DRR shall not be utilised by our Company except for the redemption of the NCDs. The Rules further mandate that every company required to maintain DRR shall deposit or invest, as the case may be, before the 30th day of April of each year a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March of the next year in any one or more following methods: (a) in deposits with any scheduled bank, free from charge or lien; (b) in unencumbered securities of the Central Government or of any State Government; (c) in unencumbered securities mentioned in clauses (a) to (d) and (ee) of Section 20 of the Indian Trusts Act, 1882; (d) in unencumbered bonds issued by any other company which is notified under clause (f) of Section 20 of the Indian Trusts Act, 1882. The abovementioned amount deposited or invested, must not be utilized for any purpose other than for the repayment of debentures maturing during the year provided that the amount remaining deposited or invested must not at any time fall below 15% of the amount of debentures maturing during year ending on the 31st day of March of that year.

Face Value

The face value of each NCD shall be Rs. 1000.

Trustees for the NCD Holders

Our Company has appointed Catalyst Trusteeship Limited to act as the Debenture Trustee for the NCD Holders in terms of Regulation 4(4) of the Debt Regulations and Section 71 (5) of the Companies Act, 2013 and the rules prescribed thereunder. Our Company and the Debenture Trustee will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us. The NCD Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the NCD Holder(s) shall discharge us *pro tanto* to the NCD Holder(s).

The Debenture Trustee will protect the interest of the NCD Holders in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action at our cost.

Events of Default

Subject to the terms of the Debenture Trust Deed, the Debenture Trustee at its discretion may, or if so requested in writing by the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution, passed at a meeting of the NCD Holders, (subject to being indemnified and/or secured by the NCD Holders to its satisfaction), give notice to our Company specifying that the NCDs and/or any particular series of NCDs, in whole but not in part are and have become due and repayable on such date as may be specified in such notice *inter alia* if any of the events listed below occurs. The description below is indicative and a complete list of events of default and its consequences will be specified in the Debenture Trust Deed.

Indicative list of Events of Default:

(i) default is committed in payment of the principal amount of the NCDs on the due date(s); and

(ii) default is committed in payment of any interest on the NCDs on the due date(s)

NCD Holder not a Shareholder

The NCD Holders will not be entitled to any of the rights and privileges available to the equity and/or preference shareholders of our Company, except to the extent of the right to receive the annual reports of our Company and such other rights as may be prescribed under the Companies Act, 2013 and the rules prescribed thereunder and the SEBI LODR Regulations.

Rights of Secured NCD Holders

Some of the significant rights available to the Secured NCD Holders are as follows:

1. The Secured NCDs shall not, except as provided in the Companies Act, 2013, our Memorandum and Articles of Association and/or the Debenture Trust Deed, confer upon the holders thereof any rights or privileges available to our Company's members/shareholders including, without limitation, the right to attend and/or vote at any general meeting of our Company's members/shareholders. However, if any resolution affecting the rights attached to the Secured NCDs is to be placed before the members/shareholders of our Company, the said resolution will first be placed before the concerned registered Secured NCD Holders for their consideration.

2. In terms of Section 136 (1) of the Companies Act, 2013, holders of Secured NCDs shall be entitled to a copy of the balance sheet and copy of trust deed at the Registered Office of the Company during business hours.

3. Subject to the above and the applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, including requirements of the RBI, the rights, privileges and conditions attached to the Secured NCDs may be varied, modified and/or abrogated with the consent in writing of the holders of at least three-fourths of the outstanding amount of the Secured NCDs or with the sanction of a special resolution passed at a meeting of the concerned Secured NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the Secured NCDs, if the same are not acceptable to us.

4. Subject to applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, the registered Secured NCD Holder or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such Secured NCDs, either in person or by proxy, at any meeting of the concerned Secured NCD Holders and every such holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the Secured NCD Holders shall be in proportion to the outstanding nominal value of Secured NCDs held by him/her.

5. The Secured NCDs are subject to the provisions of the Debt Regulations, the Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of this Draft Shelf Prospectus, the Shelf Prospectus, the respective Tranche Prospectus, the Application Forms, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, other applicable statutory and/or regulatory requirements relating to the issue and listing, of securities and any other documents that may be executed in connection with the Secured NCDs.

6. The Depositories shall maintain the up to date record of holders of the Secured NCDs in dematerialized Form. In terms of Section 88(3) of the Companies Act, 2013, the register and index of beneficial of Secured NCDs maintained by a Depository for any Secured NCD in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a Register of Secured NCD holders for this purpose.

7. A register of Secured NCD Holders holding Secured NCDs in physical form pursuant to rematerialisation of the Secured NCDs issued pursuant to the relevant Tranche Prospectus ("**Register of Secured NCD Holders**") will be maintained in accordance with Section 88 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in respect of the Secured NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the Register of Secured NCD Holders as on the Record Date.

8. Subject to compliance with RBI requirements, the Secured NCDs can be rolled over only with the consent of the holders of at least 75% of the outstanding amount of the Secured NCDs after providing at least 21 days prior notice for such roll over and in accordance with the SEBI Debt Regulations. Our Company shall redeem the debt securities of all the debt securities holders, who have not given their positive consent to the roll-over.

The aforementioned rights of the Secured NCD holders are merely indicative. The final rights of the Secured NCD holders will be as per the terms of this Draft Shelf Prospectus, the Shelf Prospectus, the respective Tranche Prospectus and the Debenture Trust Deed.

Rights of Unsecured NCD Holders

Some of the significant rights available to the Unsecured NCD Holders are as follows:

1. The Unsecured NCDs shall not, except as provided in the relevant provisions of the Companies Act, 2013 applicable as on the date of this Draft Shelf Prospectus, confer upon the Unsecured NCD Holders thereof any rights or privileges available to our Shareholders including the right to receive notices, or to attend and/or vote, at our general meeting. However, if any resolution affecting the rights attached to the Unsecured NCDs is to be placed before the Shareholders, the said resolution will first be placed before the concerned registered Unsecured NCD Holders for their consideration. In terms of Section 136 of the Companies Act, 2013, the Unsecured NCD Holders shall be entitled to inspect a copy of the balance sheet and copy of trust deed at the Registered Office of our Company during business hours.

2. Subject to applicable statutory / regulatory requirements, including requirements of the RBI, the NHB, the rights, privileges and conditions attached to the Unsecured NCDs may be varied, modified and/or abrogated with the consent in writing of the Unsecured NCD Holders representing at least three-fourths in value of the Unsecured NCDs or with the sanction of a special resolution passed at a meeting of the concerned Unsecured NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the Unsecured NCDs, if the same are not acceptable to us.

3. In case of Unsecured NCDs held in (a) dematerialised form, the person for the time being appearing in the register of beneficial owners of the Depository; and (b) physical form, on account of re-materialization, as entitled under Section8(1) of the Depositories Act, 1996, the registered Unsecured NCD Holders or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such Unsecured NCDs, either in person or by proxy, at any meeting of the concerned Unsecured NCD Holders and every such Unsecured NCD Holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the Unsecured NCD Holders shall be in proportion to the outstanding nominal value of Unsecured NCDs held by him/her.

4. The Unsecured NCDs are subject to the provisions of the SEBI Debt Regulations, the relevant provisions of the Companies Act, 2013 applicable as on the date of this Draft Shelf Prospectus, our Memorandum and Articles of Association, the terms of the Shelf Prospectus, the relevant Tranche Prospectus, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, the NHB and other applicable statutory and/or regulatory requirements relating to this Issue and listing, of securities and any other documents that may be executed in connection with the Unsecured NCDs.

5. For Unsecured NCDs in physical form, on account of re-materialization, a register of debenture holders will be maintained in accordance with Section 88 and Section 94 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in respect of the Unsecured NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the register of debenture holders as on the Record Date. For Unsecured NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the Unsecured NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depository. In terms of Section 88(3) of the Companies Act, 2013, the register of beneficial owners maintained by a Depository for any Unsecured NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a register of debenture holders for this purpose. The same shall be maintained at the Registered Office of our Company under Section 94 of the Companies Act, 2013 unless the same has been moved to another location after obtaining the consent of the Unsecured NCD Holders as given thereunder.

Nomination facility to NCD Holder

In accordance with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 ("**Rule 19**") and the Companies Act, 2013, the sole NCD holder, or first NCD holder, along with other joint NCD Holders' (being

individual(s)), may nominate, in the **Form No. SH.13,** any one person with whom, in the event of the death of Applicant the NCDs were Allotted, if any, will vest. Where the nomination is made in respect of the NCDs held by more than one person jointly, all joint holders shall together nominate in **Form No.SH.13** any person as nominee. A nominee entitled to the NCDs by reason of the death of the original holder(s), will, in accordance with Rule 19 and Section 56 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the NCDs. Where the nominee is a minor, the NCD holder(s) may make a nomination to appoint, in **Form No. SH.1**, any person to become entitled to NCDs in the event of the holder's death during minority. A nomination will stand rescinded on a sale/transfer/alienation of NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or with the Registrar to the Issue.

NCD Holder(s) are advised to provide the specimen signature of the nominee to us to expedite the transmission of the NCD(s) to the nominee in the event of demise of the NCD Holder(s). The signature can be provided in the Application Form or subsequently at the time of making fresh nominations. This facility of providing the specimen signature of the nominee is purely optional.

In accordance with Rule 19, any person who becomes a nominee by virtue of the Rule 19, will on the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as holder of NCDs; or
- to make such transfer of the NCDs, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the NCDs, and if the notice is not complied with, within a period of 90 days, our Board may thereafter withhold payment of all interests or other monies payable in respect of the NCDs, until the requirements of the notice have been complied with.

For all NCDs held in the dematerialized form, nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant in connection with NCDs held in the dematerialized form. Applicants who have opted for re-materialisation of NCDs and are holding the NCDs in the physical form should provide required details in connection with their nominee to our Company.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts of jurisdiction in Mumbai, India.

Application in the Issue

Applicants shall apply in this Issue in dematerialised form only, through a valid Application Form filled in by the Applicant along with attachment, as applicable. Further, Applications in this Issue shall be made through the ASBA facility only.

In terms of Regulation 4(2)(d) of the Debt Regulations, our Company will make public issue of the NCDs in the dematerialised form only.

However, in terms of Section 8(1) of the Depositories Act, our Company, at the request of the Investors who wish to hold the NCDs in physical form will rematerialise the NCDs. However, any trading of the NCDs shall be compulsorily in dematerialised form only.

Transfer/Transmission of NCD(s)

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of the Companies Act, 2013. The NCDs held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transfer or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date.

Interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer or Registrar.

Please see "*Issue Structure – Interest*" on page 232 of this Draft Shelf Prospectus for the implications on the interest applicable to NCDs held by Individual Investors on the Record Date and NCDs held by Non Individual Investors on the Record Date.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 ("**SEBI LODR IV Amendment**"), NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition, from December 4, 2018. However, any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialized form only.

Title

In case of:

(i) the NCDs held in the dematerialized form, the person for the time being appearing in the record of beneficial owners maintained by the Depository; and
(ii) the NCDs held in physical form pursuant to re-materialisation, the person for the time being appearing in the Register of debenture holders as NCD Holder,

shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person as the holder thereof and its absolute owner for all purposes regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the physical NCD Certificate issued in respect of the NCDs pursuant to re-materialisation and no person will be liable for so treating the NCD Holder.

No transfer of title of a NCD will be valid unless and until entered on the Register of NCD Holders (for re materialized NCDs) or the register and index of NCD Holders maintained by the Depository prior to the Record Date. In the absence of transfer being registered, interest and/or Maturity Amount, as the case may be, will be paid to the person, whose name appears first in the Register of NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar.

Succession

Where NCDs are held in joint names and one of the joint holders dies, the survivor(s) will be recognized as the NCD Holder(s). It will be sufficient for our Company to delete the name of the deceased NCD Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on our Company to register his name as successor of the deceased NCD Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the debentures. In the event of demise of the sole or first holder of the Debentures, our Company will recognise the executors or administrator of the deceased NCD Holders, or the holder of the succession certificate or other legal representative as having title to the Debentures only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. The directors of our Company in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation.

Where a non-resident Indian becomes entitled to the NCDs by way of succession, the following steps have to be complied with:

1. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the NCDs were acquired by the non-resident Indian as part of the legacy left by the deceased NCD Holder.
2. Proof that the non-resident Indian is an Indian national or is of Indian origin.
3. Such holding by a non-resident Indian will be on a non-repatriation basis.

Joint-holders

Where two or more persons are holders of any NCD(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to other provisions contained in the Articles.

Procedure for Re-materialization of NCDs

NCD Holders who wish to hold the NCDs in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories

Act and/or rules as notified by the Depositories from time to time. Holders of NCDs who propose to rematerialize their NCDs, would have to mandatorily submit details of their bank mandate along with a copy of any document evidencing that the bank account is in the name of the holder of such NCDs and their Permanent Account Number to our Company and the DP. No proposal for re-materialization of NCDs would be considered if the aforementioned documents and details are not submitted along with the request for such re-materialization. Please refer to the paragraph below titled "Restriction on transfer of NCDs" for rematerialized NCDs.

Restriction on transfer of NCDs

There are no restrictions on transfers and transmission of NCDs allotted pursuant to this Issue. Pursuant to the SEBI LODR IV Amendment, NCDs held in physical form, pursuant to any re-materialisation, as above, cannot be transferred except by way of transmission or transposition, from December 4, 2018. However, any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialized form only.

Period of Subscription

ISSUE PROGRAMME	
ISSUE OPENS ON	As specified in the relevant Tranche Prospectus
ISSUE CLOSES ON	As specified in the relevant Tranche Prospectus

Applications Forms for the Issue will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (a) by the Designated Intermediaries at the Collection Centres, or (b) by the SCSBs directly at the Designated Branches of the SCSBs. On the Issue Closing Date, Application Forms will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. or such extended time as may be permitted by the Stock Exchanges.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Lead Managers or Trading Members of the Stock Exchange are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment under the Issue will be on a date priority basis in accordance with SEBI Circular dated October 29, 2013.

Interest

As specified in the relevant Tranche Prospectus.

Basis of payment of Interest

Our Company may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the Investors. In such cases, interest, on the interest payment date, would be directly credited to the account of those Investors who have given their bank mandate.

Our Company may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to help NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. Refer to the paragraph on *"Manner of Payment of Interest / Redemption Amounts"* at page 250.

Taxation

Any tax exemption certificate/document must be lodged at the office of the Registrar at least 7 (seven) days prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in our Company's books and/or on payment thereof, in accordance with the provisions of the IT Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted.

As per clause (ix) of Section 193 of the I.T. Act, no tax is required to be withheld on any interest payable on any security issued by a company, where such security is in dematerialized form and is listed on a recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder. Accordingly, no tax will be deducted at source from the interest on listed NCDs held in the dematerialized form.

However in case of NCDs held in physical form pursuant to re-materialisation, as per the current provisions of the IT Act, tax will not be deducted at source from interest payable on such NCDs held by the investor (in case of resident Individuals and HUFs), if such interest does not exceed Rs.5,000 in any financial year. If interest exceeds the prescribed limit of Rs.5000 on account of interest on the NCDs, then the tax will be deducted at applicable rate.

However in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by Individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all Applicants (other than companies, and firms), or (b) a certificate, from the Assessing Officer which can be obtained by all Applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13. The aforesaid documents, as may be applicable, should be submitted to our Company quoting the name of the sole/ first NCD Holder, NCD folio number and the distinctive number(s) of the NCD held, prior to the Record Date to ensure non-deduction/lower deduction of tax at source from interest on the NCD. The investors need to submit Form 15H/ 15G/certificate in original from Assessing Officer for each financial year during the currency of the NCD to ensure non-deduction or lower deduction of tax at source from interest on the NCD.

If the date of interest payment falls on a Saturday, Sunday or a public holiday in Mumbai or any other payment centre notified in terms of the N.I. Act, then interest would be paid on the next working day. Payment of interest would be subject to the deduction as prescribed in the I.T. Act or any statutory modification or re-enactment thereof for the time being in force.

Subject to the terms and conditions in connection with computation of applicable interest on the Record Date as stated in the section titled "Issue Procedure" on page 250 of this Draft Shelf Prospectus, please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Draft Shelf Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs.

Day Count Convention:

Interest shall be computed on an actual / actual basis on the principal outstanding on the NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016.

Effect of holidays on payments:

If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by the Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. Further, the future Interest Payment Dates shall remain intact and shall not be changed because of postponement of such interest payment on account of it falling on a non-Working Day. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force.

If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by the Company on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment. The interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

Illustration for guidance in respect of the day count convention and effect of holidays on payments:

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI Circular No. CIR/IMD/DF-1/122/2016 dated November 11, 2016 will be disclosed in the relevant Tranche Prospectus.

Maturity and Redemption

As specified in the relevant Tranche Prospectus.

Put / Call Option

As specified in the relevant Tranche Prospectus.

Application Size

Applicants can apply for any or all types of NCDs offered hereunder (any/all series) as specified in the relevant Tranche Prospectus.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.
Terms of Payment

The entire issue price of Rs. 1000 per NCD is payable on application itself. In case of allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall instruct the SCSBs to unblock the excess amount blocked on application in accordance with the terms of this Draft Shelf Prospectus.

Manner of Payment of Interest / Refund

The manner of payment of interest / refund in connection with the NCDs is set out below:

For NCDs applied / held in electronic form:

The bank details will be obtained from the Depositories for payment of Interest / refund / redemption as the case may be. Applicants are advised to keep their bank account details as appearing on the records of the depository participant updated at all points of time. Please note that failure to do so could result in delays in credit of Interest/ Redemption Amounts at the Applicant's sole risk, and the Lead Managers, our Company or the Registrar shall have no responsibility and undertake no liability for the same.

For NCDs held in physical form on account of re-materialization:

In case of NCDs held in physical form, on account of re-materialization, the bank details will be obtained from the documents submitted to the Company along with the rematerialisation request. *Please see "Issue Procedure - Procedure for Re-materialization of NCDs"* on page 250 of this Draft Shelf Prospectus, for further details.

The mode of payment of Interest / Redemption Amount shall be undertaken in the following order of preference:

1. **Direct Credit:** Investors having their bank account with the Refund Banks, shall be eligible to receive refunds, if any, through direct credit. The refund amount, if any, would be credited directly to their bank account with the Refund Bank.

2. **NACH:** National Automated Clearing House which is a consolidated system of ECS. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

3. **RTGS:** Applicants having a bank account with a participating bank and whose interest payment / refund / redemption amount exceeds Rs.0.2 million, or such amount as may be fixed by RBI from time to time, have the option to receive refund through RTGS. Such eligible Applicants who indicate their preference to receive interest payment / refund / redemption through RTGS are required to provide the IFSC code in the Application Form or intimate our Company and the Registrars to the Issue at least 7 (seven) days before the Record Date. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant. In the event the same is not provided, interest payment / refund / redemption shall be made through NACH subject to availability of complete bank account details for the same as stated above.

4. **NEFT:** Payment of interest / refund / redemption shall be undertaken through NEFT wherever the Applicants' bank has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to a Magnetic Ink Character Recognition ("**MICR**"), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine digit MICR number and their bank account number while opening and operating the de-mat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of interest/refund/redemption will be made to the Applicants through this method.

5. **Registered Post/Speed Post:** For all other Applicants, including those who have not updated their bank particulars with the MICR code, the interest payment / refund / redemption orders shall be dispatched through Speed Post/ Registered Post only to Applicants that have provided details of a registered address in India. Refunds may be made by cheques, pay orders, or demand drafts drawn on the relevant Refund Bank and payable at par at places where Applications are received. All cheques, pay orders, or demand drafts as the case may be, shall be sent by registered/speed post at the Investor's sole risk. Bank charges, if any, for cashing such cheques, pay orders, or demand drafts at other centres will be payable by the Applicant.

Printing of Bank Particulars on Interest Warrants

As a matter of precaution against possible fraudulent encashment of refund orders and interest/redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/ warrants. NCDs applied and held in dematerialized form, these particulars would be taken directly from the depositories. In case of NCDs held in physical form on account of rematerialisation, the investors are advised to submit their bank account details with our Company / Registrar at least 7 (seven) days prior to the Record Date failing which the orders / warrants will be dispatched to the postal address of the holder of the NCDs as available in the records of our Company. Bank account particulars will be printed on the orders/ warrants which can then be deposited only in the account specified.

Loan against NCDs

Pursuant to the RBI Circular dated June 27, 2013, our Company, being an NBFC, is not permitted to extend any loans against the security of its NCDs.

Buy Back of NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buyback of NCDs, upon such terms and conditions as may be decided by our Company.

Our Company may from time to time invite the NCD Holders to offer the NCDs held by them through one or more buy-back schemes and/or letters of offer upon such terms and conditions as our Company may from time to time determine, subject to applicable statutory and/or regulatory requirements. Such NCDs which are bought back may be extinguished, re-issued and/or resold in the open market with a view of strengthening the liquidity of the NCDs in the market, subject to applicable statutory and/or regulatory requirements.

Procedure for Redemption by NCD Holders

The procedure for redemption is set out below:

NCDs held in physical form (pursuant to rematerialisation):

No action would ordinarily be required on the part of the NCD Holder at the time of redemption and the redemption proceeds would be paid to those NCD Holders whose names stand in the register of NCD Holders (for the NCDs which have been rematerialised) maintained by us on the Record Date fixed for the purpose of Redemption. However, our Company may require that the NCD certificate(s), duly discharged by the sole holder/all the joint-holders (signed on the reverse of the NCD certificate(s)) be surrendered for redemption on maturity and should be sent by the NCD Holder(s) by Registered Post with acknowledgment due or by hand delivery to our office or to such persons at such addresses as may be notified by us from time to time. NCD Holder(s) may be requested to surrender the NCD certificate(s) in the manner as stated above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment. Our Company may at its discretion redeem the NCDs without the requirement of surrendering of the NCD certificates by the holder(s) thereof.

In case we decide to do so, the holders of NCDs need not submit the NCD certificates to us and the redemption proceeds would be paid to those NCD Holders (who have opted for re-materialisation) whose names stand in the register of NCD Holders maintained by us on the Record Date fixed for the purpose of redemption of NCDs. In such case, the NCD certificates would be deemed to have been cancelled. Also see the paragraph "*Payment on Redemption*" given below.

NCDs held in electronic form:

No action is required on the part of NCD Holder(s) at the time of redemption of NCDs.

Payment on Redemption

The manner of payment of redemption is set out below:

NCDs held in physical form pursuant to rematerialisation:

The payment on redemption of the NCDs will be made by way of cheque/pay order/ electronic modes. In case of NCDs held in physical form on account of re-materialization, the bank details will be obtained from the documents submitted to our Company along with the re-materialisation request. *Please refer to "Procedure for Rematerialization of NCDs"* on page 250 of this Draft Shelf Prospectus for further details. However, if our Company so requires, the aforementioned payment would only be made on the surrender of NCD certificate(s), duly discharged by the sole holder / all the joint-holders (signed on the reverse of the NCD certificate(s). Dispatch of cheques/pay order, etc. in respect of such payment will be made on the Redemption Date or (if so requested by our Company in this regard) within a period of 30 days from the date of receipt of the duly discharged NCD certificate.

In case we decide to do so, the redemption proceeds in the manner stated above would be paid on the Redemption Date to those NCD Holders whose names stand in the Register of NCD Holders maintained by us/Registrar to the Issue on the Record Date fixed for the purpose of Redemption. Hence the transferees, if any, should ensure lodgement of the transfer documents with us at least 7 (seven) days prior to the Record Date. In case the transfer documents are not lodged with us at least 7 (seven) days prior to the Record Date and we dispatch the redemption proceeds to the transferor, claims in respect of the redemption proceeds should be settled amongst the parties inter se and no claim or action shall lie against us or the Registrars.

Our liability to holder(s) towards his/their rights including for payment or otherwise shall stand extinguished from the date of redemption in all events and when we dispatch the redemption amounts to the NCD Holder(s). Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCD(s).

NCDs held in electronic form:

On the redemption date, redemption proceeds would be paid by cheque /pay order / electronic mode to those NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us. These names would be as per the Depositories' records on the Record Date fixed for the purpose of redemption. These NCDs will be simultaneously extinguished to the extent of the amount redeemed through appropriate debit corporate action upon redemption of the corresponding value of the NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of NCD Holders.

Our liability to NCD Holder(s) towards his/their rights including for payment or otherwise shall stand extinguished from the date of redemption in all events and when we dispatch the redemption amounts to the NCD Holder(s). Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCD(s).

Issue of Duplicate NCD Certificate(s)

If any NCD certificate(s) issued pursuant to rematerialisation is/are mutilated or defaced or the cages for recording transfers of NCDs are fully utilised, the same may be replaced by us against the surrender of such certificate(s). Provided, where the NCD certificate(s) are mutilated or defaced, the same will be replaced as aforesaid only if the certificate numbers and the distinctive numbers are legible.

If any NCD certificate is destroyed, stolen or lost then upon production of proof thereof to our satisfaction and upon furnishing such indemnity/security and/or documents as we may deem adequate, duplicate NCD certificate(s) shall be issued. Upon issuance of a duplicate NCD certificate, the original NCD certificate shall stand cancelled.

Right to Reissue NCD(s)

Subject to the provisions of the Companies Act, 2013, where we have fully redeemed or repurchased any NCD(s), we shall have and shall be deemed always to have had the right to keep such NCDs in effect without extinguishment thereof, for the purpose of resale or reissue and in exercising such right, we shall have and be deemed always to have had the power to resell or reissue such NCDs either by reselling or reissuing the same NCDs or by issuing other NCDs in their place. The aforementioned right includes the right to reissue original NCDs.

Sharing of Information

Our Company may, at its option, use on our own, as well as exchange, share or part with any financial or other information about the NCD Holders available with us, with our subsidiaries, if any and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the NCD Holder(s) required to be given by us or the Debenture Trustee shall be published in one English language newspaper having wide circulation and one regional language daily newspaper in Mumbai and/or will be sent by post/ courier or through email or other electronic media to the Registered Holders of the NCD(s) from time to time.

Future Borrowings

Our Company will be entitled to borrow/raise loans or avail of financial assistance in whatever form as also to issue debentures/ NCDs/other securities in any manner having such ranking in priority, *pari passu* or otherwise, subject to applicable consents, approvals or permissions that may be required under any statutory/regulatory/contractual requirement, and change the capital structure including the issue of shares of any class, on such terms and conditions as we may think appropriate, without the consent of, or intimation to, the NCD Holders or the Debenture Trustee in this connection.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447 of the Companies Act, 2013."

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least Rs. 10 lakh or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than Rs. 10 lakh or 1.00% of the turnover of the Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to Rs. 20 lakh or with both.

Pre-closure

Our Company, in consultation with the Lead Managers reserves the right to close the Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription or as may be specified in the relevant Tranche Prospectus. Our Company shall allot NCDs with respect to the Applications received until the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements. In the event of such early closure of the Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the relevant Tranche Issue Closing Date,

as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of the issue have been given.

Minimum Subscription

In terms of the SEBI circular dated June 17, 2014, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue. If our Company does not receive the minimum subscription of 75 % of the Base Issue, prior to the Issue Closing Date, the entire subscription amount blocked in the ASBA Accounts shall be unblocked within six Working Days from the date of closure/ withdrawal of this Issue.

Utilisation of Application Amount

The sum received in respect of the Issue will be kept in separate bank accounts and we will have access to such funds as per applicable provisions of law(s), regulations and approvals.

Utilisation of Issue Proceeds

(a) All monies received pursuant to the issue of NCDs to public shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

(b) Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised; and

(c) Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.

(d) Our Company shall utilize the Issue proceeds only up on (i) receipt of minimum subscription; (ii) completion of Allotment in compliance with Section 40 of the Companies Act, 2013; (ii) receipt of listing and trading approval from Stock Exchange and (iii) only upon execution of the documents for creation of security.

(e) The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property.

Filing of the Shelf Prospectus and Tranche Prospectus with the RoC

A copy of the Shelf Prospectus and relevant Tranche Prospectus will be filed with the RoC, in accordance with Section 26 and Section 31 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will issue a statutory advertisement on or before the relevant Tranche Issue Opening Date. This advertisement will contain the information as prescribed in Schedule IV of SEBI Debt Regulations in compliance with the Regulation 8(1) of SEBI Debt Regulations.

Material updates, if any, between the date of filing of the Shelf Prospectus and the relevant Tranche Prospectus with ROC and the date of release of the statutory advertisement will be included in the statutory advertisement.

Listing

The NCDs offered through this Draft Shelf Prospectus are proposed to be listed on the BSE and NSE. Our Company has obtained an 'in-principle' approval for the Issue from the BSE *vide* their letter dated [●] and NSE *vide* their letter dated [●]. For the purposes of the Issue, BSE shall be the Designated Stock Exchange.

Our Company will use best efforts to ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange are taken within 6 Working Days of the Issue Closing Date. For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the series, such series(s) of NCDs shall not be listed.

Guarantee/Letter of Comfort

The Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent

Lien

Our Company will have the right of set-off and lien, present as well as future on the moneys due and payable to the NCD Holder, to the extent of all outstanding dues, if any by the NCD Holder to our Company.

Lien on Pledge of NCDs

Subject to applicable laws, our Company, at its discretion, may record a lien on pledge of NCDs if such pledge of NCDs is accepted by any bank or institution for any loan provided to the NCD Holder against pledge of such NCDs as part of the funding.

ISSUE PROCEDURE

This section applies to all Applicants. Specific attention of all Applicants is invited to the SEBI Circular CIR/DDHS/P/121/2018 dated August 16, 2018, which provides, inter-alia, that for all public issues of debt securities opening on or after October 1, 2018, all Applicants shall mandatorily use the ASBA facility for participating in the Issue. ASBA Applicants and Applicants applying through the Direct Online Application Mechanism (as defined hereinafter) should note that the ASBA process and the Direct Online Application Mechanism involve application procedures that are different from the procedure applicable to all other Applicants. Please note that all Applicants are required to pay the full Application Amount or ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application. ASBA Applicants ensure that their respective ASBA accounts can be blocked by the SCSBs, in the relevant ASBA Accounts.

ASBA Applicants should note that they may submit their ASBA Applications to the Designated Intermediaries. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in this Draft Shelf Prospectus.

Please note that this section has been prepared based on the circular no. CIR./IMD/DF-1/20/2012 dated July 27, 2012 issued by SEBI ("Debt Application Circular"). The procedure mentioned in this section is subject to the Stock Exchange putting in place the necessary systems and infrastructure for implementation of the provisions of the abovementioned circular, including the systems and infrastructure required in relation to Applications made through the Direct Online Application Mechanism and the online payment gateways to be offered by the Stock Exchange and accordingly is subject to any further clarifications, notification, modification, direction, instructions and/or correspondence that may be issued by the Stock Exchange and/or SEBI. Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchange and the Stock Exchange has confirmed that the necessary infrastructure and facilities for the same have not been implemented by the Stock Exchange. Hence, the Direct Online Application facility will not be available for this Issue.

Specific attention is drawn to the circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 issued by SEBI, which amends the provisions of the Debt Application Circular to the extent that it provides for allotment in public issues of debt securities to be made on the basis of the date of upload of each application into the electronic book of the Stock Exchange, as opposed to the date and time of upload of each such application.

PLEASE NOTE THAT ALL DESIGNATED INTERMEDIARIES WHO WISH TO COLLECT AND UPLOAD APPLICATION IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGE(S) WILL NEED TO APPROACH THE RESPECTIVE STOCK EXCHANGE AND FOLLOW THE REQUISITE PROCEDURES AS MAY BE PRESCRIBED BY THE RELEVANT STOCK EXCHANGE(S). THE FOLLOWING SECTION MAY CONSEQUENTLY UNDERGO CHANGE BETWEEN THE DATES OF THIS DRAFTSHELF PROSPECTUS, THE ISSUE OPENING DATE AND THE ISSUE CLOSING DATE.

SYNDICATE MEMBERS AND OUR COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF TRADING MEMBERS IN CONNECTION WITH THE RESPONSIBILITY OF TRADING MEMBERS IN RELATION TO COLLECTION AND UPLOAD OF APPLICATION FORMS IN RESPECT OF THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY STOCK EXCHANGES. FURTHER, THE RELEVANT STOCK EXCHANGES WILL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATIONS THROUGH TRADING MEMBERS.

Please note that for the purposes of this section, the term "Working Day" shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of Stock Exchange excluding Sundays and bank holidays in Mumbai.

Availability of Prospectus and Application Forms

The copies of Shelf Prospectus, Abridged Prospectus containing the salient features of the relevant Tranche Prospectus (for a particular Tranche Issue) together with Application Forms may be obtained from our Head Office, Lead Managers to the Issue, Lead Brokers for marketing of the Issue, the Registrar to the Issue and the Designated Branches of the SCSBs.

Additionally, the Shelf and Tranche Prospectus (for a particular Tranche Issue) and the Application Forms will be available for download on the websites of BSE at www.bseindia.com and NSE at www.nseindia.com. A unique application number ("UAN") will be generated for every Application Form downloaded from the websites of the Stock Exchange(s) i.e. BSE at www.bseindia.com and NSE at www.nseindia.com. Hyperlinks to the websites of the Stock Exchange(s) for this facility will be provided on the websites of the Lead Managers and the SCSBs.

In addition, Application Forms would also be made available to all the recognised stock exchanges. Further, Application Forms will also be provided to Trading Members at their request.

Our Company may provide Application Forms for being filled and downloaded at such websites as we may deem fit. The Issuer may also provide Application Forms for being downloaded and filled at such websites as it may deem fit. In addition, online demat account portals may also provide the facility of submitting the Application Forms online to their account holders'.

Who can apply?

The following categories of persons are eligible to apply in this Issue.

Category I

- Public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds and pension funds with a minimum corpus of Rs.250 million, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;
- Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
- Resident Venture Capital Funds registered with SEBI;
- Insurance companies registered with the IRDAI;
- State industrial development corporations;
- Insurance funds set up and managed by the army, navy, or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, the Union of India;
- Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than Rs. 5,000 million as per the last audited financial statements;
- National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and
- Mutual funds registered with SEBI.

Category II

- Companies within the meaning of Section 2(20) of the Companies Act, 2013; statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- Co-operative banks and regional rural banks;
- Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs;
- Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;
- Partnership firms in the name of the partners; and
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009).
- Association of Persons; and
- Any other incorporated and/ or unincorporated body of persons

Category III

- High Net-worth Individual Investors - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating to above Rs.10,00,000 across all options of NCDs in this Issue

Category IV

- Retail Individual Investors - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating up to and including Rs. 1 million across all options of NCDs in this Issue.

Note: Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of Bonds that can be held by them under applicable statutory and or regulatory provisions.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to this Issue.

The Lead Managers and their respective associates and affiliates are permitted to subscribe in this Issue.

The information below is given for the benefit of Applicants. Our Company and the Lead Managers are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Shelf Prospectus.

How to apply?

Availability of this Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus, Abridged Prospectus and Application Forms.

Please note that there is a single Application Form for who are persons resident in India.

Copies of the Abridged Prospectus containing the salient features of the Draft Shelf Prospectus, the Shelf Prospectus, relevant Tranche Prospectus together with Application Forms and copies of this Draft Shelf Prospectus may be obtained from our Registered Office, the Lead Managers, the Registrar to the Issue and the Designated Branches of the SCSBs. Additionally, the Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus and the Application Forms will be available

(i) for download on the website of BSE at www.bseindia.com, on the website of NSE at www.nseindia.com and the website of the Lead Managers at www.edelweissfin.com, www.iiflcap.com, www.icicisecurities.com and www.trustgroup.in.
(ii) at the designated branches of the SCSBs and the Syndicate Members at the Specified Locations.

Electronic Application Forms will also be available on the website of the Stock Exchange. A unique application number ("**UAN**") will be generated for every Application Form downloaded from the websites of the Stock Exchange. Further, Application Forms will also be provided to Designated Intermediaries at their request.

Method of Application

In terms of the SEBI circular CIR/DDHS/P/121/2018 dated August 16, 2018, an eligible investor desirous of applying in this Issue can make Applications through the ASBA mechanism only.

Applicants are requested to note that in terms of the Debt Application Circular, SEBI has mandated issuers to provide, through a recognized Stock Exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of debt securities with an online payment facility ("**Direct Online Application Mechanism**"). In this regard, SEBI has, through the Debt Application Circular, directed recognized Stock Exchange in India to put in necessary systems and infrastructure for the implementation of the Debt Application Circular and the Direct Online Application Mechanism infrastructure for the implementation of the Debt Application Circular and the Direct Online Application Mechanism. Please note that the Applicants will not have the option to apply for NCDs under this Issue, through the direct online applications mechanism of the Stock Exchange. Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchange and the Stock Exchange have confirmed that the necessary infrastructure and facilities for the same have not been implemented by the Stock Exchange. Hence, the Direct Online Application facility will not be available for this Issue.

All Applicants shall mandatorily apply in the Issue through the ASBA process only. Applicants intending to subscribe in the Issue shall submit a duly filled Application form to any of the Designated Intermediaries.

Applicants should submit the Application Form only at the Bidding Centres, i.e. to the respective Syndicate Members at the Specified Locations, the SCSBs at the Designated Branches, the Registered Broker at the Broker Centres, the RTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available at http://www.sebi.gov.in.

The relevant Designated Intermediaries, upon receipt of physical Application Forms from ASBA Applicants, shall upload the details of these Application Forms to the online platform of the Stock Exchange and submit these Application Forms with the SCSB with whom the relevant ASBA Accounts are maintained.

An Applicant shall submit the Application Form, which shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further, all grievances against Designated Intermediaries in relation to this Issue should be made by Applicants directly to the relevant Stock Exchange.

Application Size

As specified in the relevant Tranche Prospectus.

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

Applications by Mutual Funds

Pursuant to the SEBI circular SEBI/HO/IMD/DF2/CIR/P/2016/68 dated August 10, 2016 ("**SEBI Circular 2016**"), mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector shall not exceed 25.0% of the net assets value of the scheme. Further, the additional exposure limit provided for financial services sector towards single issuer limit is 10.0% of net assets value (extendable to 12% of net assets value, after trustee approval).

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the AMCs or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which the Application is being made. An Application Form by a mutual fund registered with SEBI for Allotment of the NCDs must be also accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (ii) a resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorized signatories. Failing this, our Company reserves the right to accept or reject any Application from a Mutual Fund for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Application by Scheduled Commercial Banks, Co-operative Banks and Regional Rural Banks

Scheduled Commercial Banks, Co-operative Banks and Regional Rural Banks can apply in a relevant Tranche Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) memorandum and articles of association/charter of constitution; (ii) power of attorney ; (iii) a board resolution authorising investments; and (iv) a letter of authorisation. Failing this, our Company reserves the right to accept or reject any Application for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Pursuant to SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Application by Insurance Companies

Insurance companies registered with the IRDAI can apply in this Issue based on their own investment limits and approvals in accordance with the regulations, guidelines and circulars issued by the IRDAI. The Application Form must be accompanied by certified true copies of their (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) resolution authorising investments/containing operating instructions; and (iv) specimen signatures of authorised signatories.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Applications by Alternative Investments Funds

Applications made by 'alternative investment funds' eligible to invest in accordance with the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") for Allotment of the NCDs must be accompanied by certified true copies of (i) SEBI registration certificate; (ii) a resolution authorising investment and containing operating instructions; and (iii) specimen signatures of authorised persons. The Alternative Investment Funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Applications by Trusts

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) power of attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications by Public Financial Institutions or statutory corporations, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) any Act/ Rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications made by companies, bodies corporate and societies registered under the applicable laws in India

The Application must be accompanied by certified true copies of: (i) any act/ rules under which they are incorporated; (ii) Board Resolution authorising investments; and (iii) Specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Indian scientific and/ or industrial research organizations, which are authorized to invest in the NCDs

Applications by scientific and/ or industrial research organisations which are authorised to invest in the NCDs must be accompanied by certified true copies of: (i) any act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Partnership firms formed under applicable Indian laws in the name of the partners and Limited Liability Partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008

Applications made by partnership firms and limited liability partnerships formed and registered under the Limited Liability Partnership Act, 2008 must be accompanied by certified true copies of: (i) the partnership deed for such Applicants; (ii) any documents evidencing registration of such Applicant thereof under applicable statutory/regulatory requirements; (iii) a resolution authorizing the investment and containing operating instructions; and (iv) specimen signature of authorized persons of such Applicant.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications under a power of attorney by limited companies, corporate bodies and registered societies

In case of Applications made pursuant to a power of attorney by Applicants from Category I, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

In case of Applications made pursuant to a power of attorney by Applicants from Category II and Category III, a certified copy of the power of attorney must be lodged along with the Application Form.

In case of physical ASBA Applications made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Application Form.

Failing this our Company, in consultation with the Lead Managers, reserves the right to reject such Applications.

Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney along with the Application Forms subject to such terms and conditions that our Company and the Lead Managers may deem fit.

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorized to invest in the NCDs

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorised to invest in the NCDs, for Allotment of the NCDs must be accompanied by certified true copies of: (i) any act/rules under which they are incorporated; (ii) a power of attorney, if any, in favour of one or more trustees thereof, (ii) a board resolution authorising investments; (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (iv) specimen signature of authorized person; (v) a certified copy of the registered instrument for creation of such fund/trust; and (vi) any tax exemption certificate issued by Income Tax authorities.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications by National Investment Funds

Application made by a National Investment Fund for Allotment of the NCDs must be accompanied by certified true copies of: (i) a resolution authorising investment and containing operating instructions; and (ii) specimen signatures of authorized persons.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications by Non-banking financial companies

Applications made by non-banking financial companies registered with the RBI and under other applicable laws in India must be accompanied by certified true copies of: (i) board Resolution authorising investments; and (iii) specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

The Syndicate Members and their respective associates and affiliates are permitted to subscribe in this Issue.

Applications cannot be made by:

(a) Minors without a guardian name* (A guardian may apply on behalf of a minor. However, the name of the guardian will also need to be mentioned on the Application Form);
(b) Foreign nationals;
(c) Persons resident outside India;
(d) Foreign Institutional Investors;
(e) Foreign Portfolio Investors;
(f) Non Resident Indians;
(g) Qualified Foreign Investors;
(h) Overseas Corporate Bodies**;
(i) Foreign Venture Capital Funds; and
(j) Persons ineligible to contract under applicable statutory/ regulatory requirements.

** Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872*

The Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchange by the Designated Intermediaries.

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of such Applications, the Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchange.

***The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in the Issue.*

Payment instructions

Payment mechanism for Applicants

An Applicant shall specify details of the ASBA Account Number in the Application Form and the relevant SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the Application Form. Upon receipt of an intimation from the Registrar to the Issue, the SCSBs shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account in terms of the Public Issue Account Agreement.

The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue to the respective SCSB within 6 (six) Working Days of the Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until

transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the relevant Tranche Issue or until rejection of the Application, as the case may be.

Additional information for Applicants

1. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected.
2. No separate receipts will be issued for the money blocked on the submission of Application Form. However, the collection centre of the Designated Intermediaries will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.
3. Applications should be submitted on the Application Form only. In the event that physical Application Forms do not bear the stamp of the Designated Intermediaries, or the relevant Designated Branch, as the case may be, they are liable to be rejected.
4. Application Forms submitted by Applicants shall be for allotment of NCDs only in dematerialized form.

Applicants are advised not to submit Application Forms to Public Issue Account Banks and the same will be rejected in such cases and the Applicants will not be entitled to any compensation whatsoever.

Filing of the Shelf Prospectus and Tranche Prospectus with ROC

A copy of the Shelf Prospectus and relevant Tranche Prospectus shall be filed with the ROC in accordance with Section 26 and Section 31 of the Companies Act, 2013.

Pre-Issue Advertisement

Our Company will issue a statutory advertisement on or before the relevant Issue Opening Date of each relevant Tranche Issue. This advertisement will contain the information as prescribed under the SEBI Debt Regulations and Section 30 of the Companies Act, 2013. Material updates, if any, between the date of filing of the Shelf Prospectus and the relevant Tranche Prospectus with the ROC and the date of release of the statutory advertisement will be included in the statutory advertisement.

Instructions for completing the Application Form

(a) Applications must be made in the prescribed Application Form.

(b) Application Forms are to be completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in this Draft Shelf Prospectus, the Tranche Prospectus and the Application Form. Incomplete Application Forms are liable to be rejected. Applicants should note that the Designated Intermediaries will not be liable for errors in data entry due to incomplete or illegible Application Forms.

(c) Applications are required to be for a minimum of such NCDs and in multiples of one NCD thereafter as specified in this Draft Shelf Prospectus.

(d) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

(e) Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details and Applications should be made by Karta in case the Applicant is an HUF. Applicants are required to ensure that the PAN Details of the HUF are mentioned and not those of the Karta.

(f) Applicants applying for Allotment must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of the Stock Exchange by the Designated Intermediaries, as the case may be, the Registrar to the Issue will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.

(g) Applicants must ensure that their Application Forms are
(i) made in a single name.
(ii) completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in this Draft Shelf Prospectus, the relevant Tranche Prospectus and in the Application Form.

(h) If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form.

(i) Applicant should correctly mention the ASBA Account number and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and ensure that the signature in the Application Form matches with the signature in the Applicant's bank records.

(j) All Applicants are required to tick the relevant column in the "Category of Investor" box in the Application Form.
(k) Applications for all the options of the NCDs may be made in a single Application Form only.

Applicants should note that neither the Syndicate Members nor the other Designated Intermediaries/brokers, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms. Our Company would allot the NCDs, as specified in the relevant Tranche Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of NCDs.

Applicants' PAN, Depository Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE NCDS SHOULD MENTION THEIR DP ID, CLIENT ID AND PAN IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, CLIENT ID AND PAN GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, CLIENT ID AND PAN AVAILABLE IN THE DEPOSITORY DATABASE. IF THE BENEFICIARY ACCOUNT IS HELD IN JOINT NAMES, THE APPLICATION FORM SHOULD CONTAIN THE NAME AND PAN OF BOTH THE HOLDERS OF THE BENEFICIARY ACCOUNT AND SIGNATURES OF BOTH HOLDERS WOULD BE REQUIRED IN THE APPLICATION FORM.

On the basis of the DP ID, Client ID and PAN provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the Demographic Details of the Applicants including PAN and MICR code. These Demographic Details would be used for giving Allotment Advice and refunds, if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details (including bank account details) as appearing on the records of the Depository Participant and ensure that they are true and correct. Please note that failure to do so could result in delays in despatch/ credit of refunds, if any, to Applicants, delivery of Allotment Advice or unblocking of ASBA Accounts at the Applicants' sole risk, and neither the Syndicate Members nor the Designated Intermediaries, nor the Registrar, nor the Banker(s) to the Issue, nor the SCSBs, nor our Company shall have any responsibility and undertake any liability for the same.

Applicants should note that in case the DP ID, Client ID and PAN mentioned in the Application Form, as the case may be and entered into the electronic Application system of the Stock Exchange by the Syndicate Members or the Designated Intermediaries, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form is liable to be rejected and our Company, the Syndicate Members and the other Designated Intermediaries shall not be liable for losses, if any.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice and for refunds (if any) as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to this Issue.

By signing the Application Form, Applicants applying for the NCDs would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

Allotment Advice would be mailed by speed post or registered post at the address of the Applicants as per the Demographic Details received from the Depositories. Applicants may note that delivery of Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Further, please note that any such delay shall be at such Applicants' sole risk and neither our Company, Banker(s) to the Issue, Registrar to the Issue nor the Lead Managers shall be liable to compensate the Applicant for any losses caused to the Applicants due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in this Draft Shelf Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under powers of attorney, our Company in its absolute discretion, reserves the right to permit the holder of a power of attorney to request the Registrar to the Issue that for the purpose of printing particulars on and mailing of the Allotment Advice through speed post or registered post, the Demographic Details obtained from the Depository of the Applicant shall be used.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to this Issue will be made into the accounts of the Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected.

Furthermore, in case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such Applications are liable to be rejected.

Electronic registration of Applications

(a) The Designated Intermediaries will register the Applications using the on-line facilities of Stock Exchange. The Lead Managers, our Company, and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the Applications accepted by the Designated Intermediaries, (ii) the Applications uploaded by the Designated Intermediaries, (iii) the Applications accepted but not uploaded by the Designated Intermediaries, (iv) Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts or (iv) Applications accepted and uploaded by the Designated Intermediaries for which the Application Amounts are not blocked by the SCSBs.

(b) The Stock Exchange will offer an electronic facility for registering Applications for this Issue. This facility will be available on the terminals of Syndicate Members and the other Designated Intermediaries during the Issue Period. On the Issue Closing Date, the Syndicate Members tand the other Designated Intermediaries shall upload the Applications till such time as may be permitted by the Stock Exchange. This information will be available with the Syndicate Members and the other Designated Intermediaries on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.

(c) Based on the aggregate demand for Applications registered on the electronic facilities of the Stock Exchange, a graphical representation of consolidated demand for the NCDs, as available on the websites of the Stock Exchange, would be made available at the Application centres as provided in the Application Form during the Issue Period.

(d) At the time of registering each Application, the Designated Intermediaries, shall enter the details of the Applicant, such as the Application Form number, PAN, Applicant category, DP ID, Client ID, number and Option(s) of NCDs applied, Application Amounts and any other details that may be prescribed by the online uploading platform of the Stock Exchange.

(e) A system generated Acknowledgement Slip will be given to the Applicant as a proof of the registration of his Application. It is the Applicant's responsibility to obtain the Acknowledgement Slip from the Syndicate Members or the other Designated Intermediaries, as the case may be. The registration of the Applications by the Designated Intermediaries does not guarantee that the NCDs shall be allocated/ Allotted by our Company. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind.

(f) The permission given by the Stock Exchange to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and/or the Lead Managers are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Shelf Prospectus or the relevant Tranche Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchange.

(g) In case of apparent data entry error by the Designated Intermediaries, in entering the Application Form numbers in their respective schedules, other things remaining unchanged, the Application Form may be considered as valid or such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange.

(h) Only Applications that are uploaded on the online system of the Stock Exchange shall be considered for Allotment. The Designated Intermediaries shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchange. In order that the data so captured is accurate, Designated Intermediaries will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

General Instructions

Do's

- **Check if you are eligible to apply as per the terms of this Draft Shelf Prospectus, the relevant Tranche Prospectus and applicable law;**
- **Read all the instructions carefully and complete the Application Form;**
- Ensure that the details about Depository Participant and beneficiary account are correct and the beneficiary account is active;
- Applications are required to be in single or joint names (not more than three);
- In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta;
- Ensure that Applications are submitted to the Designated Intermediaries, before the closure of application hours on the Issue Closing Date;
- Information provided by the Applicants in the Application Form will be uploaded on to the online platform of the Stock Exchange by the Designated Intermediaries, as the case may be, and the electronic data will be used to make allocation/ Allotment. The Applicants should ensure that the details are correct and legible;
- Ensure that the Applicant's names (given in the Application Form is exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that you have funds equal to or more than the Application Amount in your ASBA Account before submitting the Application Form;
- Ensure that you mention your PAN in the Application Form. In case of joint applicants, the PAN of all the Applicants should be provided, and for HUFs, PAN of the HUF should be provided. Any Application Form without the PAN is liable to be rejected. Applicants should not submit the GIR Number instead of the PAN as the Application is liable to be rejected on this ground;

  Except for Application (i) on behalf of the Central or State Government and officials appointed by the courts, and (ii) (subject to the circular dated April 3, 2008 issued by SEBI) from the residents of the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the Central or State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same.

- Ensure that the Demographic Details as provided in the Application Form are updated, true and correct in all respects;
- Ensure that you request for and receive a Acknowledgement Slip for all your Applications and an acknowledgement as a proof of having been accepted;
- Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of the NCDs;
- Before submitting the physical Application Form with the Designated Intermediaries, ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that centre;
- For Applicants applying through Syndicate ASBA, ensure that your Application Form is submitted to the Designated Intermediaries and not to the Public Issue Account Banks or Refund Bank (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;
- For Applicants applying through the SCSBs, ensure that your Application Form is submitted at a Designated Branch of the SCSB where the ASBA Account is maintained, and not to the Public Issue Bank (assuming that such bank is not a SCSB), to our Company, the Registrar to the Issue or the Designated Intermediaries;
- Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the account holder;
- Ensure that you have mentioned the correct ASBA Account number in the Application Form;
- Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the, or to the Syndicate Members at the Specified Locations, or to the Designated Intermediaries, as the case may be;

- Ensure that you have correctly ticked, provided or checked the authorisation box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for the Designated Branch to block funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form;
- Ensure that you receive an acknowledgement from the Designated Branch or the concerned Syndicate Members, or the Designated Intermediaries, as the case may be, for the submission of the Application Form;
- Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- Ensure that your Application Form bears the stamp of the relevant Designated Intermediaries to whom the Application is submitted;
- All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form; and
- Tick the Option of NCDs in the Application Form that you wish to apply for.

Don'ts

- Do not apply for lower than the minimum Application size;
- Do not pay the Application amount in cash, by money order, postal order or by stockinvest;
- Do not send the Application Forms by post; instead submit the same to the Designated Intermediaries (as the case may be) only;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar;
- Do not fill up the Application Form such that the NCDs applied for exceeds the size of this Issue and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
- Do not submit an Application in case you are not eligible to acquire the NCDs under applicable law or your relevant constitutional documents or otherwise;
- Do not make payment of the Application Amounts in any mode other than through blocking of the Application Amounts in the ASBA Accounts;
- Do not submit more than five Application Forms per ASBA Account;
- Do not submit the Application Forms without the Application Amount; and
- Do not apply if you are not competent to contract under the Indian Contract Act, 1872.

Submission of Application Forms

For details in relation to the manner of submission of Application Forms, please see the section titled *"Issue Procedure"* on page 250 of this Draft Shelf Prospectus.

OTHER INSTRUCTIONS

Joint Applications

Applications may be made in single or joint names (not exceeding three). In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the NCDs for the same or other options of NCDs, as specified in the relevant Tranche Prospectus, subject to a minimum Application size as specified in the relevant Tranche Prospectus for each Application. Any Application for an amount below the aforesaid minimum Application size will be deemed as an invalid Application and shall be rejected. However, any Application made by any person in his individual capacity and an Application
made by such person in his capacity as a Karta of an HUF and/or as joint Applicant (second or third applicant), shall not be deemed to be multiple Applications.

Depository Arrangements

Our Company has made depository arrangements with NSDL and CDSL for issue and holding of the NCDs in dematerialised form. In this context:

i. Tripartite Agreements dated November 28, 2007 and December 20, 2007, between us, the Registrar to the Issue and CDSL and NSDL, respectively have been executed, for offering depository option to the Applicants.
ii. An Applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the Application.
iii. NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.
iv. Non-transferable Allotment Advice/ refund orders will be directly sent to the Applicant by the Registrar to this Issue.
v. It may be noted that NCDs in electronic form can be traded only on Stock Exchange having electronic connectivity with NSDL or CDSL. The Stock Exchange have connectivity with NSDL and CDSL.
vi. Interest or other benefits with respect to the NCDs held in dematerialised form would be paid to those NCD holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.
vii. The trading of the NCDs on the floor of the Stock Exchange shall be in dematerialized form in multiples of One NCD only.

Allottees will have the option to rematerialise the NCDs Allotted under this Issue as per the provisions of the Companies Act, 2013 and the Depositories Act.

For further information relating to Applications for Allotment of the NCDs in dematerialised form, please see the section titled "*Issue Procedure*" on page 250 of this Draft Shelf Prospectus.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting all relevant details as regards the Applicant and its Application.

Applicants can contact our Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue related problems and/or Post-Issue related problems such as non-receipt of Allotment Advice non-credit of NCDs in depository's beneficiary account/ etc. Please note that Applicants who have applied for the NCDs through Designated Intermediaries should contact the Stock Exchange in case of any Post-Issue related problems, such as non-receipt of Allotment Advice / non-credit of NCDs in depository's beneficiary account/ etc.

Interest in case of Delay

Our Company undertakes to pay interest, in connection with any delay in allotment, demat credit and refunds, beyond the time limit as may be prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated under such applicable statutory and/or regulatory requirements.

Rejection of Applications

As set out below or if all required information is not provided or the Application Form is incomplete in any respect, the Board of Directors and/or any committee of our Company reserves it's full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

- Applications not made through the ASBA facility
- Number of NCDs applied for being less than the minimum Application size;
- Applications not being signed by the sole/joint Applicants;
- Applications submitted without blocking of the entire Application Amount. However, our Company may allot NCDs up to the value of application monies paid, if such application monies exceed the minimum application size as prescribed hereunder;
- Application Amount blocked being higher than the value of NCDs Applied for. However, our Company may allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size;

- Investor Category in the Application Form not being ticked;
- Date of Birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form
- Applications where a registered address in India is not provided by the Applicant;
- ASBA Bank account details to block Application Amount not provided in the Application Form;
- Submission of more than 5 ASBA Forms per ASBA Account;
- Applications by persons not competent to contract under the Indian Contract Act, 1872 including a minor without the name of a guardian;
- Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;
- DP ID and Client ID not mentioned in the Application Form;
- Applications by stockinvest or accompanied by cash/money order/postal order or any mode other than ASBA;
- If an authorization to the SCSB for blocking funds in the ASBA Account has not been provided;
- Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchange, as applicable;
- In case of partnership firms, NCDs may be applied for in the names of the individual partner(s) and no firm as such shall be entitled to apply for in its own name. However a Limited Liability Partnership firm can apply in its own name;
- Applications made without mentioning the PAN of the Applicant, except for Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants;
- GIR number mentioned in the Application Form instead of PAN;
- Application by OCBs;
- Applications for amounts greater than the maximum permissible amounts prescribed by applicable regulations;
- Applications by persons/entities who have been debarred from accessing the capital markets by SEBI;
- Applications by any persons outside India;
- For all Applications for Allotment the, DP ID, Client ID and PAN mentioned in the Application Form do not match with the DP ID, Client ID and PAN available in the records with the depositories;
- Applications by persons who are not eligible to acquire the NCDs in terms of applicable laws, rules, regulations, guidelines and approvals;
- Application Forms from Applicants not being signed by the ASBA Account holder, if the account holder is different from the Applicant or the signature of the ASBA Account holder on the Application Form does not match with the signature available on the Applicant's bank records;
- Applications for an amount below the minimum Application size;
- Inadequate funds or no credit balance in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;
- Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;
- Applications by Applicants seeking Allotment in dematerialised form whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;
- Applications not uploaded on the terminals of the Stock Exchange;
- Applications providing an inoperative demat account number;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted along with the Application Form;
- Application Forms submitted to the Designated Intermediaries does not bear the stamp of the relevant Designated Intermediaries. Applications submitted directly to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Branch and/or the Syndicate Members, or other Designated Intermediaries, as the case may be;
- Applications by other persons who are not eligible to apply for NCDs under this Issue under applicable Indian regulatory requirements;
- Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and this Draft Shelf Prospectus and as per the instructions in the Application Form, this Draft Shelf Prospectus and the relevant Tranche Prospectus;
- Applications tendered to the Designated Intermediaries at centres other than the centres mentioned in the Application Form;
- In case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application; and

For further instructions regarding Application for the NCDs, Applicants are requested to read the Application Form.

Mode of making refunds

The payment of refund, if any, may be done through various electronic modes mentioned below:

i. **Direct Credit** – Applicants having bank accounts with the Banker(s) to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by us.

ii. **NACH** – Payment of refund would be done through NACH for Applicants having an account at any of the centres specified by RBI, where such facility has been made available. This mode of payment of refunds, if any, would be subject to availability of complete bank account details including the MICR code as available from the Depositories. The payment of refunds, if any, through this mode will be done for Applicants having a bank account at any centre where NACH facility has been made available (subject to availability of all information for crediting the refund through NACH).

iii. **NEFT** – Payment of refund shall be undertaken through NEFT wherever the Applicant's bank has been assigned the Indian Financial System Code ("IFSC"), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. In case of online payment or wherever the Investors have registered their nine digit MICR number and their bank account number with the depository participant while opening and operating the demat account, the MICR number and their bank account number will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

iv. **RTGS** – If the refund amount exceeds Rs. 200,000, Applicants have the option to receive refund through RTGS. Charges, if any, levied by the Banker(s) to the Issue for the same would be borne by us. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant.

The Registrar to the Issue shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within 6 (six) Working Days of the Issue Closing Date.

Our Company and the Registrar to the Issue shall credit the allotted NCDs to the respective beneficiary accounts/ dispatch the Letters of Allotment or letters of regret by ordinary post at the Applicant's sole risk, within six Working Days from the Issue Closing Date. Our Company may enter into an arrangement with one or more banks in one or more cities for refund to the account of the applicants through Direct Credit/RTGS/NEFT/NACH.

Further,

(a) Allotment of NCDs in this Issue shall be made within the time period stipulated by SEBI;
(b) Credit to dematerialised accounts will be given within one Working Day from the Deemed Date of Allotment;
(c) Interest at a rate of 15% per annum will be paid if the Allotment has not been made and/or the refund orders have not been dispatched to the Applicants within 6 Working days from the Issue Closing Date, for the delay beyond 6 Working days in case of non-receipt of minimum subscription; and
(d) Our Company will provide adequate funds to the Registrar to the Issue / relevant banks for this purpose.

Retention of oversubscription

As specified in the relevant Tranche Prospectus for each Tranche Issue.

Grouping of Applications and allocation ratio

For the purposes of the basis of allotment:

A. *Applications received from Category I Applicants*: Applications received from Applicants belonging to Category I shall be grouped together, ("**Institutional Portion**");

B. *Applications received from Category II Applicants*: Applications received from Applicants belonging to Category II, shall be grouped together, ("**Non-Institutional Portion**").

C. *Applications received from Category III Applicants*: Applications received from Applicants belonging to Category III shall be grouped together, ("**High Net-worth Individual Category Portion**").

D. *Applications received from Category IV Applicants*: Applications received from Applicants belonging to Category IV shall be grouped together, ("**Retail Individual Category Portion**").

For removal of doubt, the terms "**Institutional Portion**", "**Non-Institutional Portion**", "**High Net-worth Individual Category Portion**" and "**Retail Individual Category Portion**" are individually referred to as "**Portion**" and collectively referred to as "**Portions**".

Basis of Allotment

As specified in the relevant Tranche Prospectus.

Allocation Ratio

As specified in the relevant Tranche Prospectus.

Retention of oversubscription

As specified in the relevant Tranche Prospectus.

Investor Withdrawals and Pre-closure

Investor Withdrawal: Applicants are allowed to withdraw their Applications at any time prior to the Issue Closing Date.

Pre-closure: Our Company, in consultation with the Lead Managers reserves the right to close the relevant Tranche Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription which is 75% of the Base Issue before the Issue Closing Date. Our Company shall allot NCDs with respect to the Applications received at the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

Further, the relevant Tranche Issue will also be withdrawn by our Company in the event that the aggregate Applications received for the NCDs is lesser than the minimum subscription which is 75% of the Base Issue before the Issue Closing Date.

In the event of such early closure of this Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the relevant Issue Closing Date of the relevant Tranche Issue, as applicable, through advertisement(s) in all those newspapers in which pre-Issue advertisement and advertisement for opening or closure of this issue have been given.

Revision of Applications

As per the notice no: 20120831-22 dated August 31, 2012 issued by BSE, cancellation of one or more orders (series) within an Application is permitted during the Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. However, please note that in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application will be liable for rejection by the Registrar.

Applicants may revise/ modify their Application details during the Issue Period, as allowed/permitted by the Stock Exchange(S), by submitting a written request to the Designated Intermediary, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchange as per the procedures and requirements prescribed by each relevant Stock Exchange, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Issue Closing Date. However, in order that the data so captured is accurate, the Designated Intermediaries will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period, after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

Utilisation of Application Amounts

The sum received in respect of a Tranche Issue will be kept in separate bank accounts and we will have access to such funds as per applicable provisions of law(s), regulations and approvals.

Utilisation of the proceeds of this Issue

- All monies received out of this Issue shall be credited / transferred to a separate bank account maintained with a Scheduled Bank as referred to in Section 40 of the Companies Act, 2013.
- The allotment letter shall be issued or application money shall be refunded within 6 Working days from the closure of this the respective Tranche or such lesser time as may be specified by Securities and Exchange Board, or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.
- Details of all monies unutilised out of the previous issues made by way of public offer, as well as the monies to be raised through this Issue, if any, shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the securities or other forms of financial assets in which such unutilized monies have been invested.
- Details of all monies utilised out of the previous issue made by way of public offer shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies have been utilized.
- Details of all unutilised monies out of this Issue, if any, shall be disclosed and continued to be disclosed under an appropriate head in our balance sheet till the time any part of the proceeds of this Issue remains unutilized indicating the form in which such unutilised monies have been invested.
- Our Company shall utilize proceeds of this Issue subsequent to (a) receipt of minimum subscription; (b) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (c) creation of security; and (d) obtaining Listing and Trading approval as stated in this Draft Shelf Prospectus in "*Issue Structure*" on page 232 of this Draft Shelf Prospectus.
- Proceeds of this Issue shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property or in the purchase of any business or in the purchase of an interest in any business.
- Proceeds of this Issue shall not be utilized for providing loan to or acquisition of shares of any person who is part of the same group or who is under the same management.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

Listing

The NCDs proposed to be offered in pursuance of the Draft Shelf Prospectus, this Draft Shelf Prospectus and the relevant Tranche Prospectus will be listed on the Stock Exchanges. Our Company has received an 'in-principle' approval from BSE by way of its letter bearing reference number [●] dated [●] and from NSE by way of its letter

bearing reference number [●] dated [●] . The application for listing of the NCDs will be made to the Stock Exchange at an appropriate stage.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchange, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of this Draft Shelf Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange are taken within six Working Days from the respective Tranche Issue Closing Date.

For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the Series, such NCDs with Series shall not be listed.

Guarantee/Letter of Comfort

This Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Undertaking by our Company

Our Company undertake that:

a) the complaints received in respect of this Issue (except for complaints in relation to Applications submitted to Designated Intermediaries) shall be attended to by us expeditiously and satisfactorily;
b) we shall take necessary steps for the purpose of getting the NCDs listed within the specified time i.e. six Working Days from the Issue Closing Date.;
c) the funds required for dispatch of allotment advice/ certificates by registered post/ speed post shall be made available to the Registrar to the Issue by our Company;
d) necessary cooperation to the credit rating agencies shall be extended in providing true and adequate information until the debt obligations in respect of the NCDs are outstanding;
e) we shall forward the details of utilisation of the funds raised through the NCDs duly certified by our statutory auditors, to the Debenture Trustee at the end of each half year;
f) we shall disclose the complete name and address of the Debenture Trustee in our annual report;
g) we shall provide a compliance certificate to the Debenture Trustee (on an annual basis) in respect of compliance with the terms and conditions of issue of NCDs as contained in this Draft Shelf Prospectus; and
h) we shall make necessary disclosures/ reporting under any other legal or regulatory requirement as may be required by our Company from time to time.

SECTION VIII - SUMMARY OF KEY PROVISIONS OF ARTICLES OF ASSOCIATION

The key provisions of the Articles relating to issue of securities and matters incidental hereto have been set out below. Please note that each provision herein below is numbered as per the corresponding Articles. Investor means CDC Group plc and the Investor's Consent shall mean the prior written consent of the Investor in its absolute discretion. All other defined terms used herein shall have the meaning ascribed to such term in the Articles. Any reference to the term "**Article**" hereunder means the corresponding article forming part of the Articles.

Article Number	**Description of the Article**
1	The regulations contained in Table "A" in the First Schedule to the Companies Act, 1956 or Table "F" in the First Schedule to the Companies Act, 2013 shall not apply to this Company, but the regulations for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of, or addition to, its Articles by special resolution, as prescribed by the said Companies Act, 2013, be such as are contained in these Articles, unless the same are repugnant or contrary to the provisions of Companies Act, 2013 or any amendment or notification thereto.
CAPITAL AND INCREASE AND REDUCTION OF CAPITAL	
6	Division of Capital: (1) The Authorised Share Capital of the Company shall be as specified in Clause V of the Memorandum of Association of the Company. (2) The Company shall be entitled to issue, offer and allot fresh and further shares, Debentures and other Securities in dematerialised form pursuant to and in accordance with the provisions under the Depositories Act and it shall also be entitled to dematerialise its existing shares, Debentures and other Securities, subject to the provisions of the Act. In this connection, the Company shall comply with all the applicable provisions of the Depositories Act.
7	Share under the control of the Board: Subject to the provisions of the Act and these Articles the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 54 of the Act) at a discount and at such times as it may from time to time think fit and proper and, with the consent of the general meeting, give to any person the option to call for or be allotted any class of shares of the Company either at par or at a premium or, subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit.
8	Power of Company in General Meeting to issue Shares: In addition to and without derogating from the powers for that purpose conferred on the Board under Article 8, the Company in general meeting may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportions and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of the Section 53 of the Act) at a discount, as such general meeting shall determine and with full power to give any person (whether a Member or not) the option to call for or be allotted any class of shares of the Company either at a premium or at par, or (subject to compliance with the provisions of Section 54 of the Act) at a discount, such option being exercisable at such times and for such consideration as may be directed by such general meeting or the Company in general meeting may make any other provisions, whatsoever for the issue, allotment or disposal of any shares.
9	Increase in capital:

The Company by a Resolution in general meeting may from time to time, increase its share capital by the creation of further shares, such increases to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, the further shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the general meeting resolving upon the creation thereof shall direct, and if no direction be given as Board shall determine; and in particular, such shares may be issued with a preferential or qualified right to dividends and in distribution of assets of the Company, and with a right of voting at general meetings of the Company.

59 Company's Lien on Shares/ Debentures:

The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that Article 30 of the Articles is to have full effect and such lien shall extend to all dividends/interests and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of transfer of shares/ debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Board may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.

No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

BORROWING POWERS

89 Power to borrow:

Subject to the provisions of the Sections 179,180 and 181 of the Act, the Board may, from time to time at its discretion accept deposits from Members or from the public, either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company. Provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans in the ordinary course of business) exceed the aggregate of the paid –up capital of the Company and its free reserves, the Board shall not borrow such money's without the consent of the Company in General Meeting.

90 Payment or repayment of moneys borrowed:

Subject to the provisions of the Articles, the payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit and in particular by a resolution passed at a meeting of the Board (and not by a circular resolution) including by the issue of debentures or debenture-stock of the Company, charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being, and debenture-stock and other securities may be assignable free from any equities between the Company and the person to whom the same may be issued.

91 Terms of issue of debentures:

Any issue of debentures, debenture stock, bonds or other securities shall be governed by Section 71 of the Act. This Article and Article 90 shall be subject to the said provisions. In the case of the Company giving a charge on any of its property, the provisions of Sections 2(16), 77 to 87 of the Act shall apply thereto. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at general meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting.

92 Register of Mortgages etc. to be kept:
The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of the mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirement of Sections 71, 77 and 79 to 85 (both inclusive) of the Act in that behalf to be duly complied with, so far as they fall to be complied with by the Board.

93 Register and index of Debenture holders:
The Company shall, if at any time issues debentures, keep a Register and Index of debenture holders in accordance with Section 88 of the Act. The Company shall have the power to keep in any State or country outside India a branch Register of Debenture holders resident in that state or country.

93A The Company may at any time consolidate, divide, sub-divide, cancel, convert, reconvert and re-issue any of its debt securities as it may deem fit from time to time.

MEETING OF MEMBERS

98 Annual General Meeting:
Subject to Section 96 of the Act, the Company shall in each year hold in addition to any other meetings a general meeting as its annual general meeting and shall specify the meeting as such in the notices calling it, and not more than fifteen months shall lapse between the date of one annual general meeting of the Company and that of the next, subject however to the right of the Registrar under the Act to extend the time within which any annual general meeting may be held. Every annual general meeting shall be called for at a time during business hours i.e. between 9:00 am and 6:00pm on any day that is not a national holiday and shall be held either at registered office of the Company or at some other place within the city or town or village in which the registered office of the Company is situated.

100 Calling of Extraordinary General Meetings:
The Directors may, whenever they think fit, convene an Extraordinary General Meeting and they shall on requisition of such number of Members holding in the aggregate not less than one-tenth of such of the paid up capital of the Company as at the date of deposit of the requisition and in compliance with Section 100 of the Act, forthwith proceed to convene Extraordinary General Meeting.

101 Participation through Electronic Mode:
Notwithstanding anything contrary contained in these Articles, of the Company may provide Video Conference facility and/ or other permissible electronic or virtual facilities for communication to enable the Shareholders of the Company to participate in General Meetings of the Company. Such participation by the Shareholders at General Meetings of the Company through Video Conference facility and/or use of other permissible electronic or virtual facilities for communication shall be governed by such legal or regulatory provisions as applicable to the Company for the time being in force.

DIRECTORS

224 The Board shall, at all times, comprise of minimum of 3 (three) and maximum of 12 (twelve) directors. The Board shall have an optimum combination of executive, non- executive and independent directors.
Provided however:

- Investor may nominate 1 (One) director ("**Investor Director**"), who shall not be liable to retire by rotation;
- The Investor and IIFL Holdings may jointly identify 1 (One) independent director, who shall be a high calibre executive working in the same space as the Business.

225 The Investor and IIFL Holdings may nominate a director or remove any director nominated by it, and nominate another person as Director in his place, by written notice to the Company. Provided that (i) the Investor Director shall not be a director on the Board of a Competitor of the Company and (ii) if the Company so requests, the Investor shall request that the relevant Investor Director grants an undertaking to the Company not to act as an employee or consultant of any Competitor of the Company for a period of six months from the date of such Investor Director ceasing to be a director on the board of directors of the Company. Notwithstanding anything mentioned herein, all directors shall act in the best interest of the Company.

145 Debenture Directors:
If it is provided by the trust deed securing or otherwise in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debentures, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another director may be appointed in his place. A debenture Director shall not be bound to hold any qualification shares. A Debenture Director shall not be liable to retire by rotation.

243 Corporate Governance:
The Board shall meet at least once every quarter and at least 4 (Four) times a year. At least 7 (Seven) calendar days' notice of each Board (or committee of the Board) meeting shall be given prior to such meeting or such shorter period as the directors on the Board, including the Investor Director may agree. The agenda for each Board (or committee of the Board) meeting and all agenda papers connected therewith and/or proposed to be placed or tabled before the Board (or committee of the Board) shall be circulated at least 7 (Seven) calendar days prior to such meeting, and, no items save and except those specified in the agenda may be discussed at any Board (or committee of the Board) meeting, except with the Investor's Consent. Meetings of the Board may be held at any place which has been designated in the notice of the meeting or at such place as may be approved by the Board. Notwithstanding anything in Articles 243 to 251, the Board shall be entitled to pass resolutions by circulation, including resolutions in relation to Reserved Matters provided that the Investor has provided consent for such resolutions relating to Reserved matters.

244 Quorum:
The quorum for a meeting of the Board (or committee of the Board) shall be as per the Act, provided however that the quorum must include the Investor Director, present throughout the meeting, unless otherwise intimated to the Company in writing in advance by the Investor. If a quorum is not so present at the start of a Board meeting, the meeting shall be adjourned to a date which is three days from the date of such meeting and notwithstanding what is stated above, the directors present at such adjourned Board meeting (***Adjourned Board Meeting***) shall form the quorum for any such Adjourned Board Meeting, not being less than one third of the total number of directors or two directors, whichever is higher. Provided however, that no matter in relation to the items specified in Articles 269, 270 and 369 (*Reserved Matters*) shall be included in the agenda without the Investor's Consent, and no action, discussion or voting shall be taken up in respect of the any of the Reserved Matters, in any of the Board meetings (including any Adjourned Board Meeting) in the absence of the Investor Director, unless prior Investor's Consent is obtained in respect of the said matter.

245 Chairman:
Board meetings shall be chaired by the Chairman of the Board (***Chairman***). If the Chairman is absent from any Board meeting, the vice-chairman of the Board shall preside as the Chairman for the Board meeting, failing which the directors present shall appoint the chairman of that meeting from amongst the directors present.

246 At each meeting of the Board and in respect of each resolution proposed, each Director shall

have one vote. The Chairman shall have a second or casting vote. All decisions by the Board shall be by approval of a simple majority of the Directors entitled to vote thereon and present at the meeting, whether in person or, subject to applicable Law, through telephone or audio visual means. Provided, however, that decisions of the Board in relation to Reserved Matters, if any, shall mandatorily be subject to the provisions of Articles 269 and 270 below.

RETIREMENT AND ROTATION OF DIRECTOR

157 Retirement of Directors by rotation:

(1) Not less than two-thirds of the total number of Directors shall be persons whose period of office is liable to determination by retirement of Directors by rotation; and save as otherwise expressly provided by the Act, be appointed by the Company in General Meeting. At every annual general meeting, one third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office. The provisions in respect of retirement of Directors by rotation shall not be applicable to the appointment of Independent Directors.

(2) The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

(3) At the annual general meeting at which a Director retires as aforesaid the Company may fill up the vacancy by appointing the retiring Director who shall be eligible for re-appointment or some other person thereto.

(4) If the place of the retiring Director is not filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place or if that is a National holiday, till the next succeeding day which is not a National holiday at same time and place. If at the adjourned meeting also the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting unless:

- at the meeting or at the previous meeting, a resolution for the reappointment of such Director has been put to the vote and lost;
- the retiring Director has by a notice in writing addressed to the Comp any or its Board of Directors, expressed his unwillingness to be reappointed;
- he is not qualified or is disqualified for appointment;
- a resolution, whether special or ordinary, is required for his appointment by virtue of any of the provisions of the Act; or
- The provision to Section 162 of the Act is applicable to the case.

APPOINTMENT OF THE CHIEF FINANCIAL OFFICER, CHIEF RISK OFFICER AND CHIEF EXECUTIVE OFFICER

236 IIFL Holdings and the Company must ensure that the Company and its Subsidiaries have in place at all times a professional management team including Key Managerial Personnel with the requisite skills, experience and seniority as required for the role and functions being carried on by them. The Investor and Company have identified Mr. R. Venkataraman and Mr. Prabodh Agrawal as two key resources for fulfilment of Business Plan objectives for the next two years. It is agreed that Mr. R. Venkataraman and Mr. Prabodh Agrawal, by whatever title or designation they are referred to in IIFL, will devote their predominant time for the affairs of the Company and HFC Co. Mr. Prabodh Agrawal will be accountable for all the job responsibilities of Company's CFO unless and until the Company and Investor agree for any alternative.

238 Any removal or replacement of the Chief Executive Officer and Chief Financial Officer of the Company shall require the Investor’s Consent. Any changes in the terms of employment / compensation package of the Chief Executive Officer of the Company shall be carried out in consultation with and after taking into account the views of the Investor.

RESERVED MATTERS

269 Notwithstanding anything contained in these Articles, no action or decision (including any steps being commenced or taken for any action or decision) relating to any of the Reserved Matters in Article 369 shall be proposed, taken or given effect to or acted upon (whether by the Board, any director, any committee, the senior management or the shareholders of the Company, its Group Companies, or any of the employees, officers, managers of the Company or its Group Companies) unless the Investor's Consent is first obtained. It is clarified that no action, discussion or voting shall be taken up in respect of the any of the Reserved Matters, either at the Board or Shareholders Meeting, unless prior Investor's Consent is obtained in respect of such matter. However, unless the Investor notifies the Company to the contrary, in respect of paragraphs 17, 23, 24, 25, 27 and 28 (only to the extent that it applies to paragraphs 17, 23, 24, 25 and 27) of Article 369**,** the consent of the Investor shall not be required if the Investor Director (a) consents to such matter; and (b) confirms that the Investor's Consent will not be required for such instance.

369(1) Allot, issue (otherwise than as contemplated in the Business Plan), redeem, vary or repurchase or agree to allot, issue, redeem, vary or repurchase its share capital (or option or right to subscribe for the same) including without limitation the terms, timing and final pricing of any IPO, or follow on offering or any offer for sale for the Company and/or its Subsidiaries, including issuance of shares upon conversion of any debt or preference shares, except for an IPO which is made after 3 (Three) years of the Completion Date. However, nothing contained in this paragraph shall apply to redemption of the currently existing (i) 75,000,000 - 8% non- convertible redeemable preference shares of Rs. 10/- (Rupees Ten only) each and (iii) 100,000,000 - 8% compulsorily redeemable, non-convertible preference shares of Rs. 10/- (Rupees Ten only) each on their existing terms.

369(4) Any alteration of, amendment to, or waiver of any provision in the memorandum and articles of association of the Company and/or its Subsidiaries which dilutes/ affects the rights of the Investor.

369(13) Borrowing of money (including leasing assets or obtaining credit) by the Company and/or its Subsidiaries which would result in net borrowing of the Group exceeding 7.5 times the Net Worth in aggregate.

WINDING UP

216 Distribution of Assets:

If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be the losses shall be borne by the Members in proportion to the capital paid up on which ought to have been paid up at the commencement of the winding up on the shares held by them respectively and if in a winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid at the commencement of the winding up the excess shall be distributed amongst the Members in proportion to the capital paid up or which ought to have been paid up at the commencement of winding up on the shares held by them respectively. But this Article is without prejudice to the rights of the holders of shares issued upon special terms and conditions.

Transfer before Liquidity Event

300 Notwithstanding anything contained in these Articles, upon the occurrence of any Liquidity Event, the Investor shall have the unfettered and unrestricted right to Transfer the Investor Securities prior to any Transfer of Equity Securities by IIFL Holdings. IIFL Holdings agrees and undertakes that in case of such Liquidity Event, it shall not, directly or indirectly, transfer any of its Equity Securities in the Company prior to the completion of Transfer of Investor Securities by the Investor.

301 *Liquidity Event* means an initial public offering of the shares of the Company, the sale of the business of the Company as a whole, or the sale of the substantial assets of the Company, or merger or consolidation of the Company, or liquidation, winding up or dissolution of the Company or sale of Equity Securities of the Company in excess of the Equity Securities held by the Investor, exercise of the Put Option or exercise of the Buy Back Option.

SECRECY UNDERTAKING

218 Every Director, Manager, Auditor, Treasurer, Trustee, Member of a committee, agent, officer, servant, accountant of other person employed in the business of the Company shall, when required, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required so to do by the Board or by any meeting of the shareholder if any or by a Court of Law, or by the person to whom the matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

SECTION IX - MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected on Working Days at the Registered Office of our Company situated at 12A-10, 13th Floor, Parinee Crescenzo, G Block, C-38 and C-39, Bandra Kurla Complex, Bandra - East, Mumbai 400 051, Maharashtra, India. between 10 am to 5 pm on any Working Day (Monday to Friday) during which issue is open for public subscription under the respective Tranche Prospectus.

MATERIAL CONTRACTS

1. Issue Agreement dated November 22, 2018 between our Company and the Lead Managers.

2. Registrar Agreement dated November 22, 2018 between our Company and the Registrar to the Issue.

3. Debenture Trustee Agreement dated November 22, 2018 executed between our Company and the Debenture Trustee.

4. Tripartite agreement dated November 28, 2007 among our Company, the Registrar and CDSL.

5. Tripartite agreement dated December 20, 2007 among our Company, the Registrar and NSDL.

MATERIAL DOCUMENTS

1. Memorandum and Articles of Association of our Company, as amended to date.

2. Certificate of Incorporation of our Company dated July 7, 2004, issued by Registrar of Companies, Mumbai.

3. Fresh Certificate of Incorporation of our Company dated July 10, 2007, issued by Registrar of Companies, Mumbai, consequent upon conversion from private limited to public limited company.

4. Fresh Certificate of Incorporation of our Company dated November 18, 2011, issued by Registrar of Companies, Mumbai, consequent upon change of name of the Company.

5. Certificate of Registration dated May 12, 2005 bearing registration no. B-13.01792 issued by the Reserve Bank of India.

6. Copy of shareholders' resolution approved at the EGM dated March 23, 2018 under Section 180(1)(c) of the Companies Act, 2013 on overall borrowing limits of the Board of Directors of our Company.

7. Copy of the resolution approved by the Board of Directors dated October 31, 2018, approving the issue of NCDs.

8. Copy of the resolution approved by the Finance Committee at its meeting held on November 22, 2018, approving this Draft Shelf Prospectus.

9. Letter dated October 31, 2018, by Brickworks Ratings India Private Limited assigning a rating of 'BWR AA+/Stable (pronounced as BWR Double A Plus with Stable outlook)' for the Issue with rating rationale.

10. Letter dated November 1, 2018 by CRISIL Ratings Limited assigning a rating of 'CRISIL AA/Stable (pronounced as CRISIL Double A rating with Stable outlook)' for the Issue with rating rationale.

11. Letter dated October 31, 2018 by ICRA Limited assigning a rating of 'ICRA AA (Stable) (pronounced as ICRA Double A)' for the Issue with rating rationale.

12. Consents of the Directors, Chief Financial Officer, Company Secretary and Compliance Officer, Lead Managers, Legal Advisor to the Issue, ICRA Limited as the agency issuing the industry report, Credit Rating Agencies,

Bankers to the Company, Registrar to the Issue and the Debenture Trustee for the NCDs, to include their names in this Draft Shelf Prospectus, in their respective capacities and the NOCs received from Lenders to our Company.

13. Consent of the Statutory Auditors of the Company, for inclusion of their name as an expert in respect of their (a) report dated November 13, 2018 on the Reformatted Summary Standalone and Consolidated Financial Statements and (b) report dated October 31, 2018 on the Limited Review Financial Statements in the form and context in which they appear in this Draft Shelf Prospectus.

14. Consent of the M/s Pritesh Mehta & Co. Chartered Accountant, for inclusion of their name as an expert in respect of their statement of tax benefits dated November 13, 2018.

15. The examination report dated November 13, 2018 in relation to the Reformatted Summary Standalone Financial Statements.

16. The examination report dated November 13, 2018 in relation to the Reformatted Summary Consolidated Financial Statements.

17. The limited review report dated October 31, 2018 in relation to the Limited Review Financial Statements.

18. Statement of tax benefits dated November 13, 2018 issued by M/s Pritesh Mehta & Co., Chartered Accountants.

19. Annual Report of our Company for the last five Fiscals and Limited Reviewed Financial statements for the six months period ended September 30, 2018.

20. In-principle listing approval from BSE by its letter no. [●] dated [●].

21. In-principle listing approval from NSE by its letter no. [●] dated [●].

22. Due Diligence Certificate dated [●] filed by the Lead Managers with SEBI.

23. Investment Agreement entered into between our Company and CDC Group Plc dated July 20, 2016.

24. Trademark License Agreement entered into between our Company and IIFL Holdings Limited dated August 19, 2016.

25. Indian Retail Non-Banking Finance Market Report dated June, 2018 prepared by ICRA Research Services, a division of ICRA Limited.

Any of the contracts or documents mentioned above may be amended or modified at any time, without reference to the Debenture Holders, in the interest of our Company in compliance with applicable laws.

DECLARATION

We, the Directors of the Company, hereby certify and declare that all applicable legal requirements in connection with the Issue including the relevant provisions of the Companies Act, 2013, as amended, relevant provisions of Companies Act, 1956, as applicable and rules prescribed thereunder to the extent applicable as on this date, the guidelines issued by the Government of India and the regulations and guidelines and circulars issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, including the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder in connection with the Issue have been complied with and no statement made in this Draft Shelf Prospectus is contrary to the relevant provisions of any acts, rules, regulations, guidelines and circulars as applicable to this Draft Shelf Prospectus.

We further certify that all the disclosures and statements in this Draft Shelf Prospectus are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Draft Shelf Prospectus does not contain any misstatement.

SIGNED BY THE DIRECTORS

Nirmal Bhanwarlal Jain
DIN: 00010535 _____
Designation: Wholetime Director

Venkataraman Rajamani
DIN: 00011919 _____
Designation: Wholetime Director

Sumit Bali
DIN: 02896088 _____
Designation: Executive Director and Chief Executive Officer

Nagarajan Srinivasan
DIN: 01480303 _____
Designation: Non-Executive Director

Vijay Kumar Chopra
DIN: 02103940 _____
Designation: Independent Director

Nilesh Shivji Vikamsey
DIN: 00031213 _____
Designation: Independent Director

Geeta Mathur
DIN: 02139552 _____
Designation: Independent Director

Place: Mumbai
Date: November 23, 2018

ANNEXURE A – BRICKWORK RATING AND RATIONALE

SEBI Registered
RBI Accredited
NSIC Empanelled

BWR/NCD/HO/ERC/RR/0484/2018-19

31 Oct 2018

Mr. B.S. Amarnath
Head - Treasury
India Infoline Finance Limited
12A-10, 13th Floor, Parinee Crescenzo,
C-38 & 39, G-Block, Bandra Kurla Complex,
Bandra - East, Mumbai - 400051

Dear Sir,

Sub: Rating of India Infoline Finance Ltd's proposed NCDs and reaffirmation of *other existing instruments*

Ref: Our previous letters BWR/NCD/HO/ERC/MM/0755/2017-18 dated 12 Feb 2018 and your mandate dt 26 Oct 2018

Thank you for giving us an opportunity to undertake rating of the proposed NCDs aggregating Rs 5000 Crs of **India Infoline Finance Limited**. Based on the information and clarifications provided by your company, as well as information available in public sources, Brickwork Ratings is pleased to inform you that we have assigned the ratings of **India Infoline Finance Limited**'s proposed NCDs and reaffirmed the ratings of other debt instruments as detailed below:

Instruments	ISIN	Issue date	Maturity date	Coupon Rate p.a.	Amount (Rs. Crs)	Previous Rating	Rating[1]
Proposed							
NCDs*	--	--	--	--	5000	--	BWR AA+ Outlook: Stable (Pronounced as BWR Double A Plus) Assigned
Existing							
Subordinated NCD	INE866I08220	11-Sep-15	10-Sep-21	10.75%	20	BWR AA+ (Outlook: Stable) (Pronounced as BWR Double A Plus)	BWR AA+ (Outlook: Stable) (Pronounced as BWR Double A Plus) Reaffirmed
Subordinated NCD	INE866I08238	16-Sep-15	16-Sep-21	10.50%	15	BWR AA+ (Outlook: Stable) (Pronounced as BWR Double A Plus)	BWR AA+ (Outlook: Stable) (Pronounced as BWR Double A Plus) Reaffirmed
Secured NCDs	--	--	--	--	50	BWR AA+ (Outlook: Stable) Pronounced as BWR Double A Plus	BWR AA+ (Outlook: Stable) Pronounced as BWR Double A Plus Reaffirmed
TOTAL					**5085**	**Rupees Five thousand and eighty five crores only**	

**Interchangeable between secured and subordinated debt*

SEBI Registered
RBI Accredited
NSIC Empanelled

India Infoline Finance Limited **BWR/NCD/HO/ERC/RR/0484/2018-19**

Instruments	ISIN	Issue date	Maturity date	Coupon Rate p.a.	Amount (Rs. Crs)	Previous Rating	Rating [1]
Withdrawal of Ratings							
Secured NCDs (Public Issue)	--	--	--	--	1050	BWR AA+ (Outlook: Stable) Pronounced as BWR Double A Plus	Rating Withdrawn in view of redemption*
Subordinated NCD	Unutilised portion	--	--	--	40	BWR AA+ (Outlook: Stable) Pronounced as BWR Double A Plus	Rating Withdrawn
TOTAL					**1090**	**Rupees One thousand and ninety crores only**	

***Note:** BWR has withdrawn the rating for the Secured NCDs (Public Issue) of Rs 1050 Crs at the request of the company as all the outstanding NCDs under this issue have been fully redeemed on October 1 2018 as per terms. The confirmation in this regard has been provided by the company to BWR alongwith the confirmation from the Registrar & Transfer Agent and Debenture Trustee. Further, the rating for the unutilised portion of Rs 40 Crs out of the earlier rated Subordinated NCDs (Rs 75 Crs) has also been withdrawn at the request of the company.

The Ratings are valid for one year from the date of this letter and subject to the terms and conditions that were agreed in your mandate dated 26th Oct 2018 and other correspondence, if any and Brickwork Ratings' standard disclaimer appended below. Brickwork Ratings would conduct surveillance every year till maturity/redemption of the facility/instrument. Please note that Brickwork Ratings would need to be kept informed of any significant information/development that may affect your Company's finances/performance without any delay. You are also required to submit the No Default Statement (NDS) at the end of each month.

Please let us have your acceptance for the above rating within two days of the date of this letter. Kindly note that unless acceptance is received by us within the said date, the ratings should not be used for any purpose whatsoever.

Best Regards,

Rajee R

Rajee R
General Manager - Ratings
Brickwork Ratings India Pvt. Ltd.

Note: Rating Rationale of all accepted Ratings are published on Brickwork Ratings website. All non-accepted ratings are also published on Brickwork Ratings web-site . Interested persons are well advised to refer to our website www.brickworkratings.com, If they are unable to view the rationale, they are requested to inform us on brickworkhelp@brickworkratings.com.

Disclaimer: Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at anytime for anyreasons.

Rating Rationale

India Infoline Finance Limited

02 Nov 2018

Brickwork Ratings assigns rating for the proposed NCD (Public Issue) of Rs 5000 Crs and reaffirms the ratings for the other NCDs of India Infoline Finance Limited ("IIFL" or "the Company")

NCDs

Instruments	ISIN	Issue date	Maturity date	Coupon Rate p.a.	Amount (Rs. Crs)	Previous Rating	Rating [1]
Proposed							
NCDs* (Public issue)	--	--	--	--	5000	--	BWR AA+ Outlook: Stable (Pronounced as BWR Double A Plus) Assigned
Existing							
Subordinated NCD	INE866I08220	11-Sep-15	10-Sep-21	10.75%	20	BWR AA+ (Outlook: Stable) (Pronounced as BWR Double A Plus)	BWR AA+ (Outlook: Stable) (Pronounced as BWR Double A Plus) Reaffirmed
Subordinated NCD	INE866I08238	16-Sep-15	16-Sep-21	10.50%	15	BWR AA+ (Outlook: Stable) (Pronounced as BWR Double A Plus)	BWR AA+ (Outlook: Stable) (Pronounced as BWR Double A Plus) Reaffirmed
Secured NCDs	--	--	--	--	50	BWR AA+ (Outlook: Stable) Pronounced as BWR Double A Plus	BWR AA+ (Outlook: Stable) Pronounced as BWR Double A Plus Reaffirmed
TOTAL					**5085**	**Rupees Five thousand and eighty five crores only**	
Withdrawal of Ratings							
Secured NCDs (Public Issue)	--	--	--	--	1050	BWR AA+ (Outlook: Stable) Pronounced as BWR Double A Plus	Rating Withdrawn in view of redemption*
Subordinated NCD	Unutilised portion	--	--	--	40	BWR AA+ (Outlook: Stable) Pronounced as BWR Double A Plus	Rating Withdrawn
TOTAL					**1090**	**Rupees One thousand and ninety crores only**	

Interchangeable between secured and subordinated debt

#Note: BWR has withdrawn the rating for the Secured NCDs (Public Issue) of Rs 1050 Crs at the request of the company as all the outstanding NCDs under this issue have been fully redeemed on October 1 2018 as per terms. The confirmation in this regard has been provided by the company to BWR alongwith the confirmation from the Registrar & Transfer Agent and Debenture Trustee. Further, the rating

for the unutilised portion of Rs 40 Crs out of the earlier rated Subordinated NCDs (Rs 75 Crs) has also been withdrawn at the request of the company.

Term loans

Facility	Amount (Rs Crs)		Rating	
	Previous	Present	Previous	Present
Bank term loans (Proposed)	100.00	0.00	BWR AA+ Outlook: Stable (Pronounced as BWR Double A Plus)	Withdrawn as the facility was not raised/utilised
Total	**100.00**	**0.00**		

[1]Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

Rationale/Description of Key Rating Drivers/Rating sensitivities

BWR has principally relied upon the audited financial results of the Company up to FY18, unaudited financial results of Q1FY19, publicly available information and information/clarifications provided by the Company's management.

The ratings continue to factor the experienced & professional management, strong institutional ownership, improving business risk profile, comfortable capitalisation and diversified lending portfolio. The rating is however, constrained by the higher operational expenses because of the focus on retail loans, limited seasoning of the mortgage portfolio, slight decline in asset quality, increasing interest rate and tightened liquidity scenario which is expected to result in lower Net Interest Margins (NIMs) and slowdown in disbursements.

Going forward, the company's ability to raise funds in the present curtailed liquidity market conditions, manage its business growth and liquidity prudently and maintain asset quality and profitability will be the key rating sensitivities.

Credit Strengths

Experienced management: The company has a strong management team consisting of professionals well experienced in the financial services domain. The board comprises of Mr. Nirmal Jain (Founder of IIFL Group and Chairman of IIFL Holdings Ltd), Mr. R. Venkataraman (Managing Director of IIFL Holdings Ltd) and other independent directors. IIFL and the parent company also have strong institutional ownership. CDC Group Plc, UK holds 15.4% stake in IIFL and Fairfax Group holds 35.4% stake in IIFL Holdings Ltd.

Comfortable capitalisation: The total net worth of IIFL on a consolidated basis stood at Rs 3928 Crs as on March 31, 2018 as compared to Rs 3545 Crs as on March 31, 2017. During FY17, UK based CDC Group invested equity of ~ Rs 1000 Crs in IIFL. During FY19, IIFL has further raised ~Rs 330 Crs from CDC Group through Masala Bonds (Tier – II qualifying subordinated bonds). This will help IIFL to grow its loan book. CRARwas fairly comfortable at 19.01% as on June 30 2018.

Diversified loan portfolio: The company has a diversified loan portfolio spread across various asset classes. As of March 31, 2018, home loan segment was 28% of AUM, followed by loan against property at 18%, construction & real estate loans at 14%, commercial vehicle loans at 13%, gold loans at 13% , capital market loans (3%), MSME loans (8%) and microfinance loans (3%).

Diversified Resource Profile: The company has a diversified resource profile. As of Sep 30, 2018, company had 21% of borrowings in the form of term loans, 4% in the form of cash credit facilities, 17% in the form of securitisation & direct assignment limits, 15% in the form of NCDs, 4% in the form of sub-debts and 34% in the form of commercial papers.

Credit Weaknesses

Higher operating costs: The company incurs higher employee and operational costs due to its retail focused lending products. Approximately 85% of the portfolio is retail in nature. Retail lending, comprising of gold loans, MSME loans, CV loans and home loans remains a highly competitive segment with presence of various NBFCs, Banks and SFBs. Retention of good customers will be a key challenge.

Increasing interest rate scenario and tightened liquidity: The recent increase in bond yields are expected to increase the cost of funds of NBFCs. This is expected to lower their Net Interest Margins (NIMs) going forward. Further, the company would not be able to pass the entire rise in financing costs to customers as higher interest rates could hit the demand for retail loans, in turn lowering the credit growth. The recent tightening in liquidity could result in slowdown in disbursements and growth in loan portfolio - Q3 and Q4 are likely to reflect shrinkage in AUM as a result of muted business growth. However the company has confirmed that the company has adequate liquidity in the form of liquid investments and unutilised bank lines to meet its debt obligations in the short to medium term.

Limited seasoning of loan portfolio: The company's overall portfolio has limited seasoning, especially in retail mortgage loans (comprising home loans & loan against property) and the overall asset quality is yet to be tested through difficult cycles. The ability of the company to maintain quality of loan portfolio amidst stiff market competition is crucial. The total retail mortgage portfolio stood at ~45% of AUM as on June 30 2018.

Asset quality: There has been an increase in gross NPAs of the company, especially in the commercial vehicle segment and the mortgage loan segment. On a standalone basis, the company's GNPA and NNPA stood at 3.14% and 1.50% respectively as on June 30 2018. The asset quality might be impacted if the overall liquidity remains tightened.

Analytical Approach:

For arriving at its ratings, BWR has evaluated the risk profile of IIFL on a consolidated basis and applied its rating methodology as detailed in the Rating Criteria detailed below (hyperlinks provided at the end of this rationale). IIFL has the following subsidiaries viz. IIFL Home Finance Ltd (rated BWR AA+ Stable) and Samasta Microfinance Ltd. BWR has taken note of the proposed reorganisation of the IIFL group, which will result in listing of three entities viz., IIFL Finance (loans and mortgages business), IIFL Wealth (wealth and asset management business) and IIFL Securities (capital markets and other businesses). The parent company viz. IIFL Holdings Ltd, a listed company, will cease to exist post the reorganisation. The reorganisation is subject to applicable regulatory and shareholders' approval.

Rating Outlook: Stable

BWR believes IIFL's business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. Liquidity management, asset quality and profitability are the key monitorables. Lower than anticipated business growth and/or deterioration in asset quality or profitability with impact on capitalization would result in revision of outlook.

Proposed NCD (Public Issue)

IIFL proposes to raise NCDs of Rs 5000 Cr through a public issue. The NCDs are proposed to be a mix of secured and unsecured subordinated securities of multiple tenures.

About the Company

India Infoline Finance Limited (IIFL) is a Systemically Important RBI registered non deposit taking Non-Banking Financial Company (NBFC-ND-SI). It is a subsidiary of IIFL Holdings Limited, a listed company, which holds 84.50% stake. UK based CDC group holds 15.4% stake in IIFL. Fairfax India Holdings Corporation's (FIHC) wholly-owned subsidiary FIH Mauritius Investments Ltd holds 26.53% in IIFL Holdings Limited as of 30 Sep 2018. The company is engaged in consumer financing and mortgage finance business. IIFL has a strong distribution network of 1378 branches across India and offers products like Home loan, Gold loan, Commercial Vehicles loan, Small and Medium Enterprise loan, Capital Market loan, Construction & Real Estate loan, Digital Finance, Loan Against Property and Microfinance. IIFL has 2 subsidiaries viz. IIFL Home Finance Ltd (IIHFL) (100%) and Samasta Microfinance Ltd (97.37%).

Consolidated Financial Performance

Total income from operations was Rs. 3748 Crs for FY18 as compared to Rs. 3090 Crs for FY17. Net Income from Operations increased from Rs. 1301 Crs for FY17 to Rs. 1784 Crs for FY18. Net profit improved from Rs 423 Crs in FY17 to Rs 554 Crs in FY18. Total Net Worth was Rs 3928.58 Crs as of March 31, 2018. Loan Portfolio increased from Rs. 22280 Crs as of March 31, 2017 to Rs. 31134 Crs as of March 31, 2018, a y-o-y growth of ~40%. NNPA has increased from 0.58% (120+ DPD) as of March 31, 2017 to 0.79% (90+ DPD) as of March 31, 2018 mainly due to changes in DPD recognition. PCR has decreased to 54% in FY18 as compared to 68% in FY17. For Q1FY19, IIFL has reported net interest income of Rs 514 Crs and net profit of Rs 195 Crs on a consolidated basis. The loan portfolio stood at Rs 33653 Crs as on June 30, 2018. GNPA and NNPA stood at 2.01% and 0.94% respectively as on June 30 2018. Capital adequacy in the form of CRAR stood at 19.01% as of June 30, 2018 (Tier I CRAR stood at 15.89% as of June 30, 2018).

On a standalone basis, IIFL has reported a total operating income of Rs 2441 Crs during FY18 as against Rs 2212 Crs in FY17. The net profit stood at Rs 354 Crs during FY18 as against Rs 343 Crs in FY17.

Key Financial Indicators (Consolidated)	Units	FY17 (A)	FY18 (A)
Loan Portfolio Outstanding	(Rs in Crs)	22280	31134
Gross NPA	%	1.82%	1.71%
Net NPA	%	0.58%	0.79%
Net Operating Income	(Rs in Crs)	1300.79	1784.18
PAT	(Rs in Crs)	423.20	554.30
Net Interest Margin (NIM)	%	6.5%	7.1%
Net Worth	(Rs in Crs)	3544.85	3928.58
CRAR	%	20.71%	16.32%

Rating History:

Sl. No.	Instrument/ Facility	Amt Rs Crs	Current Rating (Nov 2018)	Rating History					
				23 Feb 18	31 Dec 16	21 Dec 15	9 Oct 15	7 April 15	4 Sep 13
1	**Proposed NCD Public Issue***	5000	BWR AA+ Outlook: Stable	NA	NA	NA	NA	NA	NA
2	**Unsecured Subordinated NCD**	35	BWR AA+ Outlook: Stable	BWR AA+ Outlook : Stable	BWR AA+ Outlook : Stable	BWR AA+ Outlook: Stable	BWR AA+ Outlook : Stable	NA	NA
3	**Secured NCD**	50	BWR AA+ Outlook: Stable	BWR AA+ Outlook : Stable	BWR AA+ Outlook : Stable	BWR AA+ Outlook: Stable	BWR AA+ Outlook : Stable	BWR AA Outlook : Stable	BWR AA Outlook: Stable
	Total	**5085**	**Rupees Five thousand and Eighty five crores only**						
Rating Withdrawal									
1	**Bank Loan**	100	Rating Withdrawn	BWR AA+ Outlook : Stable	BWR AA+ Outlook : Stable	BWR AA+ Outlook: Stable	NA	NA	NA
2	**Secured NCD (Public issue)**	1050	Rating Withdrawn	BWR AA+ Outlook : Stable	BWR AA+ Outlook : Stable	BWR AA+ Outlook: Stable	BWR AA+ Outlook : Stable	BWR AA Outlook : Stable	BWR AA Outlook: Stable
3	**Unsecured Subordinated NCD (Unutilised portion)**	40	Rating Withdrawn	BWR AA+ Outlook : Stable	BWR AA+ Outlook : Stable	BWR AA+ Outlook: Stable	BWR AA+ Outlook : Stable	NA	NA
	Total	**1190**	**Rupees One thousand one hundred and ninety crores only**						

Interchangeable between secured and subordinated debt
Note: For previous rating history, please refer BWR website.

Status of non-cooperation with previous CRA : NA

Any Other Comments: NA

Hyperlink/Reference to applicable Criteria

- General Criteria
- Banks & Financial Institutions
- Approach to Financial Ratios

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For print and digital media

The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

DISCLAIMER

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect

to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.

ANNEXURE B – CRISIL RATING AND RATIONALE

CONFIDENTIAL

GDS7982/210038/NCD/11012018
November 01, 2018

Mr. B.S. Amarnath
Treasurer
India Infoline Finance Limited
IIFL Centre, Kamala City,
Senpati Bapat Marg,
Lower Parel (W)
Mumbai 400013

Dear Mr. B.S.Amarnath,

Re: CRISIL Rating on the Rs.5000 Crore Non-Convertible Debentures* of India Infoline Finance Limited

We refer to your request for a rating for the captioned Non Convertible Debentures.

CRISIL has, after due consideration, assigned its "**CRISIL AA/Stable**" (pronounced as CRISIL double A rating with Stable outlook) rating to the captioned debt instrument. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

For the purpose of issuance of the captioned debt instrument, this letter is valid for 180 calendar days from the date of the letter. In the event of your company not placing the above instrument within this period, or in the event of any change in the size/structure of your proposed issue, the rating shall have to be reviewed and a letter of revalidation shall have to be issued to you. Once the instrument is issued, the above rating is valid throughout the life of the captioned debt instrument.

As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which CRISIL believes, may have an impact on the rating.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Rama Patel
Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings



Interchangeable between secured and subordinated debt

A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301.

Details of the Rs.5000 Crore Non-Convertible Debentures of India Infoline Finance Limited

	1st tranche		*2nd tranche*		*3rd tranche*	
Instrument Series:						
Amount Placed:						
Maturity Period:						
Put or Call Options (if any):						
Coupon Rate:						
Interest Payment Dates:						
Principal Repayment Details:	Date	Amount	Date	Amount	Date	Amount
Investors:						
Trustees:						

In case there is an offer document for the captioned Debt issue, please send us a copy of it.

A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301.

Rating Rationale

November 01, 2018 | Mumbai

India Infoline Finance Limited

'CRISIL AA/Stable' assigned to NCD

Rating Action

Rs.5000 Crore Non-Convertible Debentures*	**CRISIL AA/Stable (Assigned)**
Subordinated Debt Aggregating Rs.1000 Crore	**CRISIL AA/Stable (Reaffirmed)**
Rs.500 Crore Long Term Principal Protected Market Linked Debentures	**CRISIL PP-MLD AAr/Stable (Reaffirmed)**
Rs.8000 Crore Commercial Paper	**CRISIL A1+ (Reaffirmed)**
Rs.6000 Crore Commercial Paper Programme (IPO Financing)	**CRISIL A1+ (Reaffirmed)**
Rs.4000 Crore Non Convertible Debentures	**CRISIL AA/Stable (Withdrawn)**
Rs.1000 Crore Subordinated Debt	**CRISIL A1+ (Withdrawn)**

1 crore = 10 million
Refer to annexure for Details of Instruments & Bank Facilities
**Interchangeable between secured and subordinated debt*

Detailed Rationale

CRISIL has assigned its '**CRISIL AA/Stable**' rating to the Rs.5000 crore non-convertible debentures (NCDs) of India Infoline Finance Limited (IIFL Finance, part of the IIFL group). CRISIL has also withdrawn its 'CRISIL AA/Stable' rating on the Rs.4000 crore non-convertible debentures and Rs.1000 crore subordinated debt as there is no outstanding against these instruments, while reaffirming its rating on the existing debt instruments at 'CRISIL AA/CRISIL PP-MLD AAr/Stable/CRISIL A1+'.

The ratings were placed on watch on February 9, 2018, following the announcement by the IIFL group (IIFL Holdings Ltd [IIFLHL] and its subsidiaries) of a reorganisation in its corporate structure. The proposed reorganisation will result in listing of three entities ' IIFL Finance (loans and mortgages business), IIFL Wealth (wealth and asset management business), and IIFL Securities (capital markets and other businesses). IIFLHL, which is currently the holding company of the group, will cease to exist after the reorganisation. The scheme of arrangement will be subject to necessary shareholder, regulatory, and other approvals, some of which are still awaited.

The 'watch developing' on long term ratings of IIFL Finance was recently resolved. The watch resolution factors in that post reorganization the three distinct entities will continue to manage their business operations independently and will not require any support from each other. Nevertheless, these entities will continue to benefit from the common key promoter holding and branding. The rating also takes into account the improving business risk profile and stable profitability of IIFL Finance.

The rating continues to reflect IIFL group's diversified presence in the financial services space and comfortable capitalisation. These rating strengths are partially offset by limited portfolio seasoning of the lending business.

The prefix 'PP-MLD' indicates that the principal amount of the debentures is protected, while returns remain market-linked. The suffix 'r' shows that returns on the debentures have significant risks other than credit risk. Also, payments to investors are not fixed and are linked to external variables such as commodity prices, equity indices, foreign exchange rates, or equity valuation of the company.

Analytical Approach

For arriving at the ratings, CRISIL has assessed the consolidated business and financial risk profiles of IIFL Finance (including IIFL Home Finance Ltd. and other subsidiaries). Further, CRISIL has also factored in the synergies that IIFL Finance will have with IIFL Wealth and IIFL Securities given their common promoters and a shared brand. CRISIL will continue to track the developments on regulatory and other requisite approvals for the reorganisation and reflect the same in its analytical approach as appropriate.

Key Rating Drivers & Detailed Description

Strengths

*** Diversified lending portfolio and presence in several segments in the financial services space**

The lending business of IIFLHL are carried out through IIFL Finance and its subsidiaries. IIFL Finance is a retail-focused non-banking financial company (NBFC) with a diversified loan portfolio, engaged in secured lending across various asset classes. IIFL Home Finance is a 100% subsidiary of IIFL Finance through which most of the mortgage finance lending is carried out. The lending portfolio has a high level of granularity and straddles home loans, loans against property, construction and developer funding, gold loans, vehicle loans, loans to micro, small, and medium enterprises (MSMEs), and microfinance. The assets under management (AUM) were Rs 33,653 crore as on June 30, 2018.

IIFLHL, the current holding company of the IIFL group, holds majority stakes in various subsidiaries. These operate in the retail and commercial finance; broking: equity, commodity, and currency; third-party financial product distribution; and wealth management businesses. The individual businesses are currently managed by experienced professionals who have a long track record with the IIFL group. The wealth management business has a strong distribution presence across products with sizeable assets under advisory at Rs 1.4 lakh crore as on June 30, 2018. The group's broking arm is among the large players in the retail broking segment. It also has a presence in the institutional, currency, commodity broking, and investment banking segments.

*** Improving business risk profile and stable profitability of the lending business**

IIFL Finance's consolidated assets under management (AUM) has had a compound annual growth rate (CAGR) of 26% over the past five fiscals, from Rs 9867 cr as on March 31, 2013 to ~Rs 33,653 cr as on June 30, 2018. Engaged in secured lending across various asset classes, the company's portfolio mix has increasingly tilted towards the low risk housing portfolio (including homes loans, mortgages, and small-ticket construction finance) which now constitute about half of the AUM. Moreover, rising share of retail loans (with ticket size less than 1 crore), increased diversification in loan book, and high share of secured loans, have supported both asset quality and loan growth. Gross non-performing assets (GNPAs), at 2.0% as on June 30, 2018, have been largely stable over the past few fiscals, despite NPA classification regulations transitioning to 90+ days past due (dpd) recognition.

Additionally, cost of borrowings, at 8.5% for fiscal 2018, has been reducing in recent fiscals with the rising share of capital market borrowings in total borrowings. Though incremental borrowing costs going are likely to be higher than in fiscal 2018 on account of the rising interest rate scenario, re-pricing downwards of some of the high-cost borrowings contracted a few years back as well as passing on the higher cost of borrowings to customers in most of the portfolio should result in stable profitability over the medium term.

Stable interest margins, low provision expenses, and improvement in operating expenses ratio have supported a stable earnings profile: return on assets was 1.9-2.0% over past few fiscals. The company has also consistently maintained a high provision coverage ratio (PCR) of above 50% over the five fiscals through 2018. The business risk profile is likely to be maintained over the medium term, supported by comfortable asset quality and stable profitability.

*** Comfortable capitalisation**

The consolidated networth and adjusted gearing of IIFL Finance were Rs 3,932 crore and 7.2 times, respectively, as on March 31, 2018 (Rs 3,549 crore and 6.1 times, respectively, as on March 31, 2017). The networth coverage for net NPAs was comfortable at 18 times as on March 31, 2018. In fiscal 2017, equity capital of Rs 1,000 crore was raised from the UK-based CDC group. Despite strong growth plans, capitalisation should remain comfortable over the medium term supported by a demonstrated ability to raise capital and healthy internal cash accrual, providing cushion against asset-side risks.

The group's consolidated networth was large at Rs 6,566 crore, with a gearing around 5.5 times, as on March 31,

2018 (Rs 5,636 crore and 4.8 times, respectively, as on March 31, 2017). Capitalisation is likely to remain comfortable, with a consolidated gearing of less than 6.0 times on a steady-state basis, over the medium term.

Weakness

*** Limited seasoning of the loan portfolio**

IIFL Finance's overall loan portfolio has grown at a three-year CAGR of around 24%. Given the high growth in recent years and entry into newer segments, the portfolio remains unseasoned and hence the overall asset quality is yet to be tested through cycles. The overall GNPAs were at 2.0% as on June 30, 2018, from 1.7% as on March 31, 2018, and 1.8% as on March 31, 2017. The group transitioned to 90+ dpd recognition of NPAs in the first quarter of fiscal 2018. On a one-year lagged basis, gross NPAs stood at 2.4% as on March 31, 2018 (2.0% as on March 31, 2017). While the increasing focus on retail mortgage loans is expected to benefit the inherent asset quality over the medium term, ability to underwrite and maintain strong credit practices across asset classes amid stiff competition from established players remains to be seen.

Outlook: Stable

CRISIL believes the IIFL Finance will continue to witness healthy growth in its lending portfolio over the medium term. The overall IIFL group is expected to maintain its strong market position in the capital market and wealth businesses as well as its comfortable capitalisation. The outlook may be revised to 'Positive' if IIFL Finance significantly strengthens its market position while maintaining profitability and asset quality. The outlook may be revised to 'Negative' in case of lower-than-expected growth in business or significant deterioration in asset quality or profitability.

Liquidity position:

IIFL Group has adequate liquidity as reflected in adequate investments in liquid mutual funds (Rs 2941 crore), unutilised bank lines (Rs 1415 crore) and other liquid investments (Rs 1628 crore) as on October 19, 2018. Apart from this, the group has adequate liquid asset book and securitisation bank lines and they continue to tap debt capital markets for fresh issuances.

Asset quality in non-retail businesses a monitorable

Given the evolving situation on the liquidity front that we have witnessed from September 2018 for non-banks, asset quality on non-retail exposures like developer loans, loans against property (LAP), loans to micro, small and medium enterprises (MSME), etc would be a monitorable going forward. IIFL group's exposure to non-retail business stood at 14% as on June 30, 2018. This stems from sensitivity of borrowers of such loans to an environment of prolonged liquidity tightness. Thus, while currently delinquencies in these loans are not high on account of the strong credit appraisal and risk mitigating mechanisms put in place, it is possible that over a period of time if the liquidity situation does not stabilize, asset quality challenges could manifest. We have seen that banks have been open to lending to non-banks through both securitization channels and traditional loans and if this channel of funding continues going forward, it would provide the much needed support to non-banks on the liquidity front. Growth in non-retail businesses nevertheless would be curtailed for non-banks in the near to medium term given the propensity of non-banks to conserve liquidity and slow down disbursements in this space.

About IIFL Finance

IIFL Finance is a subsidiary of IIFL Holdings Ltd, with 84.54% shareholding. The company, along with its subsidiaries, IIFL Home Finance and Samasta Micro Finance, is engaged primarily in consumer-financing and mortgage finance businesses.

In fiscal 2008, IIFL Holdings Ltd (erstwhile India Infoline Ltd) launched its retail finance business through the non-banking financial company (NBFC), Moneyline Credit Ltd, which was merged with India Infoline Finance with effect from April 2011. In fiscal 2009, India Infoline Housing Finance Ltd received registration as a housing finance company from the National Housing Bank. In fiscal 2017, IIFL Finance ventured into microfinance segment after acquisition of micro lender Samasta Microfinance.

The UK based CDC group holds 15.4% equity stake in the company.

IIFL Holdings Ltd is currently the holding company of the IIFL group and holds majority stakes in various subsidiaries including IIFL Finance. IIFL Holdings Ltd., through its main businesses in the lending, wealth management and securities verticals offers a wide range of financial products and services, including retail finance, wealth management, broking, investment banking, and distribution of life insurance.

IIFL Finance had total income (net of interest expenses) and profit after tax (PAT) of Rs 1,893 crore and Rs 554 crore, respectively, in fiscal 2018, against Rs 1379 crore and Rs 423 crore, respectively, in the previous fiscal.

The IIFL group had a PAT of Rs 1,162 crore on total income of Rs 6,438 crore in fiscal 2018, against Rs 822 crore and Rs 4,924 crore, respectively, in the previous fiscal. For the quarter ended June 30, 2018, the PAT was Rs 345 crore on total income of Rs 1806 crore, against Rs 253 crore and Rs 1,435 crore, respectively, for the corresponding period of the previous fiscal.

Key Financial Indicators - India Infoline Finance Limited (CRISIL adjusted numbers)

As on / for the period ended March 31		2018	2017
Total Assets	Rs crore	31105	23522
Total income (net of interest expenses)	Rs crore	1893	1379
Profit after tax	Rs crore	554	423
Gross NPA *	%	1.7	1.8
Return on managed assets (annualized)	%	1.8	1.8
Adjusted gearing	Times	7.2	6.1

**Mar-18 numbers are on 90+dpd and Mar-17 on 120+dpd*

Key Financial Indicators - IIFL Holdings Limited (CRISIL adjusted numbers)

As on / for the period ended March 31		2018	2017
Total Assets	Rs crore	43703	33760
Total income	Rs crore	6437	4924
Profit after tax	Rs crore	1162	822
Gross NPA *	%	1.7	1.8
Return on assets (annualized)	%	3.0	2.9
Adjusted gearing	Times	5.5	4.8

**Mar-18 numbers are on 90+dpd and Mar-17 on 120+dpd*

Any other information: Not applicable

Note on complexity levels of the rated instrument:

CRISIL complexity levels are assigned to various types of financial instruments. The CRISIL complexity levels are available on www.crisil.com/complexity-levels. Users are advised to refer to the CRISIL complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of Instrument	Date of Allotment	Coupon Rate (%)
NA	Commercial Paper	NA	NA
NA	Commercial paper	NA	NA
NA	Debentures**#	NA	NA
INE866I08147	Debentures/ Bonds	18-Sep-12	12.75%
INE866I08154	Debentures/ Bonds	18-Sep-12	12.75%
INE866I08139	Debentures/ Bonds	18-Sep-12	12.75%
INE866I08162	Debentures/ Bonds	5-Nov-12	12.20%
NA	Debentures/ Bonds*	18-Jan-12	12.75%
NA	Debentures/ Bonds*	23-Jan-12	12.25%
NA	Debentures/ Bonds*	7-Feb-12	12.25%
NA	Debentures/ Bonds*	7-Feb-12	12.75%
NA	Debentures/ Bonds*	23-Feb-12	12.75%
NA	Debentures/ Bonds*	1-Mar-12	12.25%
NA	Debentures/ Bonds*	2-Mar-12	12.75%
NA	Debentures/ Bonds*	30-Mar-12	12.25%
NA	Debentures/ Bonds*	30-Mar-12	12.25%
NA	Debentures/ Bonds*	30-Mar-12	12.75%
NA	Debentures/ Bonds*	30-Mar-12	12.75%
NA	Debentures/ Bonds*	4-Apr-12	12.25%
NA	Debentures/ Bonds**	NA	NA
NA	Long Term Principal Protected Market Linked Debentures**	NA	NA

** Private placement of retail NCDs; in physical form*
***not yet issued*
 # Interchangeable between secured and subordinated debt

Annexure - Rating History for last 3 Years

	Current			2018 (History)		2017	
Instrument	**Type**	**Outstanding Amount**	**Rating**	**Date**	**Rating**	**Date**	**Rating**
Commercial Paper	ST	8000.00	CRISIL A1+	30-10-18	CRISIL A1+		--
				07-09-18	CRISIL A1+		
				13-08-18	CRISIL A1+		
				10-07-18	CRISIL A1+		
				20-06-18	CRISIL A1+		
				01-06-18	CRISIL A1+		
				09-05-18	CRISIL A1+		
				16-03-18	CRISIL A1+		
				28-02-18	CRISIL A1+		
Commercial Paper Issue	ST		--	13-08-18	Withdrawal	20-12-17	CRISIL A1+
				10-07-18	CRISIL A1+		
				20-06-18	CRISIL A1+		

				01-06-18	Withdrawal			
				09-05-18	CRISIL A1+			
				16-03-18	CRISIL A1+			
				28-02-18	CRISIL A1+			
				09-02-18	CRISIL A1+			
				31-01-18	CRISIL A1+			
				12-01-18	CRISIL A1+			
Commercial Paper Programme(IPO Financing)	ST	6000.00	CRISIL A1+	30-10-18	CRISIL A1+		--	
				07-09-18	CRISIL A1+			
				13-08-18	CRISIL A1+			
				10-07-18	CRISIL A1+			
Long Term Principal Protected Market Linked Debentures	LT	524.63 01-11-18	CRISIL PP-MLD AAr/Stable	30-10-18	CRISIL PP-MLD AAr/Stable		--	
				07-09-18	CRISIL PP-MLD AAr/Stable			
Non Convertible Debentures	LT	0.00 01-11-18	CRISIL AA/Stable	30-10-18	CRISIL AA/Stable		--	
Short Term Debt	ST							
Short Term Debt (Including Commercial Paper)	ST			09-02-18	CRISIL A1+	20-12-17	CRISIL A1+	
				31-01-18	CRISIL A1+	05-12-17	CRISIL A1+	
				12-01-18	CRISIL A1+	09-11-17	CRISIL A1+	
						25-10-17	CRISIL A1+	
						10-10-17	CRISIL A1+	
						06-10-17	CRISIL A1+	
						29-09-17	CRISIL A1+	
Short Term Debt Issue	ST		--		--	20-12-17	Withdrawal	
						05-12-17	CRISIL A1+	
						09-11-17	CRISIL A1+	
						25-10-17	CRISIL A1+	
						10-10-17	CRISIL A1+	
						06-10-17	CRISIL A1+	
Subordinated Debt	LT	0.00 01-11-18	CRISIL AA/Stable	30-10-18	CRISIL AA/Stable	20-12-17	CRISIL AA/Stable	
				07-09-18	CRISIL AA/Stable	05-12-17	CRISIL AA/Stable	
				13-08-18	CRISIL AA/Stable	09-11-17	CRISIL AA/Stable	
				10-07-18	CRISIL AA/Watch Developing	25-10-17	CRISIL AA/Stable	
				20-06-18	CRISIL AA/Watch Developing	10-10-17	CRISIL AA/Stable	
				01-06-18	CRISIL AA/Watch Developing	06-10-17	CRISIL AA/Stable	
				09-05-18	CRISIL AA/Watch Developing	29-09-17	CRISIL AA/Stable	
				16-03-18	CRISIL AA/Watch Developing	08-09-17	CRISIL AA/Stable	
				28-02-18	CRISIL AA/Watch Developing			
				09-02-18	CRISIL AA/Watch Developing			
				31-01-18	CRISIL AA/Stable			
				12-01-18	CRISIL			

					AA/Stable			
Fund-based Bank Facilities	LT/ST		--		--		--	

All amounts are in Rs.Cr.

Links to related criteria

Rating Criteria for Finance Companies

CRISILs Criteria for Consolidation

CRISILs Criteria for rating short term debt

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ANNEXURE C – ICRA RATING AND RATIONALE

ICRA

ICRA Limited

CONFIDENTIAL

Ref: 2018-19/MUM/1220
October 31, 2018

Mr. Amarnath BS
Group Treasurer, IIFL Holdings Ltd
India Infoline Finance Limited
IIFL Centre, next to Times Tower,
Kamala Mills, Senapati Bapat Marg,
Lower Parel
Mumbai – 400 013

Dear Sir,

Re: ICRA Credit Rating for the Rs. 5,000 crore Non Convertible Debenture Programme of India Infoline Finance Limited

Please refer to your Rating Agreement dated October 29, 2018 for carrying out the rating of the aforesaid Non Convertible Debenture Programme. The Rating Committee of ICRA, after due consideration, has assigned a **"[ICRA]AA"** (pronounced ICRA double A) rating with **stable outlook** to the captioned Programme. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. In any of your publicity material or other document wherever you are using our above rating, it should be stated as **"[ICRA]AA (stable)"**.

We would appreciate if you can sign the acknowledgement and send it to us latest by **November 09, 2018** as acceptance on the assigned rating. In case you do not communicate your acceptance/non acceptance of the assigned credit rating, or do not appeal against the assigned credit rating by the aforesaid date, the credit rating will be treated by us as non accepted and shall be disclosed on ICRA's website accordingly. This is in accordance with requirements prescribed in the circular dated June 30, 2017 on ***'Monitoring and Review of Ratings by Credit Rating Agencies(CRAs)'*** issued by the Securities and Exchange Board of India.

Any intimation by you about the above rating to any Banker/Lending Agency/Government Authorities/Stock Exchange would constitute use of this rating by you and shall be deemed acceptance of the rating.

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned. ICRA reserves the right to review and/or, revise the above at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the bonds, debentures and/ or other instruments of like nature to be issued by you.

As mentioned above and in accordance with the aforesaid circular issued by SEBI, you are requested to furnish a monthly **'No Default Statement (NDS)'** (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us

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immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

Enclosed herewith is a copy of the rationale of the assigned rating for your reference. Please respond with your comments if any within the aforesaid timeline of November 09, 2018.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to your communication and assure you of our best services.

With kind regards,

For ICRA Limited

ANJAN DEB GHOSH
Executive Vice President
aghosh@icraindia.com

NEHA PARIKH
Assistant Vice President
neha.parikh@icraindia.com

India Infoline Finance Limited

November 05, 2018

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non Convertible debenture Programme	0.00	5,000.00	[ICRA]AA (stable); assigned
Commercial Paper programme	8,000.00	8,000.00	[ICRA]A1+; outstanding
Subordinate Debt programme	1,000.00	1,000.00	[ICRA]AA (stable); outstanding
Long Term Bank Lines	5,775.00	5,775.00	[ICRA]AA (stable); outstanding
Long term debt programme	2,510.00	2,510.00	[ICRA]AA (stable); outstanding
Secured NCD programme	2,000.00	2,000.00	[ICRA]AA(stable); outstanding
Unsecured NCD programme	500.00	500.00	[ICRA]AA(stable); outstanding
Long term principal protected equity linked debenture programme	500.00	500.00	PP-MLD[ICRA]AA (stable); outstanding
Long term principal protected market linked debenture programme	100.00	100.00	PP-MLD[ICRA]AA (stable); outstanding
Long term principal protected market linked debenture programme	400.00	400.00	PP-MLD[ICRA]AA (stable); outstanding
Total	**20,785.00**	**25,785.00**	

Rating action

ICRA has assigned the rating of [ICRA]AA (stable) (pronounced ICRA double A stable) to Rs. 5000 crore non convertible debenture programme of India Infoline Finance Limited (the company). ICRA has an outstanding rating of [ICRA]A1+ on Rs. 8,000 crore commercial paper programme of the company. ICRA also has an outstanding rating of PP-MLD[ICRA]AA(stable) (pronounced P P M L D ICRA double A stable) on Rs. 1000 crore Principal protected equity linked debenture programme of the company. ICRA also has a rating outstanding of [ICRA]AA (stable) on Rs. 2,000 crore Secured NCD programme, Rs. 500 crore Unsecured NCD programme, Rs. 1,000 crore subordinate debt programme, Rs. 2,510 crore long term debt programme and Rs. 5,775 crore long term bank lines programme of the company.

Rationale

While arriving at the ratings, ICRA has taken a consolidated view of the credit profiles of key India Infoline group companies (collectively referred to as IIFL group) given their common promoters and senior management team, shared brand name, and strong financial and operation synergies.

The ratings factor in IIFL group's diversified business revenues constituted by its financing, distribution and broking operations, the group's robust risk management systems and healthy capitalisation profile backed by a strong consolidated net worth of Rs. 5,542 crore as on June 30, 2018.

On 31st January 2018, IIFL group had announced to restructure their corporate business lines. The wealth and asset management business of IIFL will be consolidated into IIFL Wealth. ICRA has taken a note of the announcement and will take an appropriate rating action, if required, subsequent to statutory and regulatory approvals. The detailed release on the event can be accessed here

Outlook: Stable

ICRA believes that IIFL group will continue to benefit from its diversified business profile, its demonstrated track record and its robust risk management systems. The outlook may be revised to 'Positive' if there is a substantial and sustained improvement in the company's profitability, leading to an improvement in its financial risk profile. The outlook may be revised to 'Negative' if the liquidity position of the company deteriorates or there is significant deterioration in the asset quality of the credit book and profitability indicators, thereby adversely affecting its financial risk profile.

Key rating drivers

Credit strengths

Diversified financial services group with presence in consumer finance, capital market activities (broking and financial products distribution), wealth management and microfinance – IIFL group is engaged in financing (carried out through an NBFC and a housing finance company), broking (through its equity and commodity broking subsidiaries) and distribution (through its wealth management companies). Apart from having a diversified loan book of Rs. 39,264 crore (including wealth finance book) crore as on June 30, 2018 (+42% YoY), the group is also a large player in distribution of financial products with assets under advice, management and distribution of Rs. 1,40,898 crore as on June 30, 2018 (+25% YoY). The group is among the leading players in retail broking with a total market share of ~2% in Q1FY2019.

Diversified lending book; increasing focus on retail lending provides comfort – The company has a diversified lending book which stood at Rs. 39,264 crore (including wealth finance book) crore as on June 30, 2018 with the mortgage segment accounting for 51% of the portfolio followed by wealth finance (14%), commercial vehicles (11%), gold (11%), MSME (7%), capital market[1] (3%) and microfinance (3%). The diversity in the portfolio has been achieved through a steady growth in segments like commercial vehicle (CV) financing, SME loans, wealth finance and micro finance. Within mortgage, home loan has been the key growth driver with a YoY growth of 57% while loans against property (LAP) had grown moderately at 4%. The group's concentration on gold loans has gradually reduced from the peak in 2014, and now constitutes 11% of the lending book as on March 31, 2018, compared with 36% as on March 31, 2014 (however ICRA does note the 60% YoY growth in gold loan book in Q1FY2019). Going forward, the management intends to grow the lending book at ~30%-35%. The group's increasing focus on retail lending provides credit comfort.

Comfortable asset quality; however, moderate portfolio seasoning –IIFL group's reported asset quality (combined for NBFC, HFC and MFI businesses) indicators remain sound with gross NPA at 2.0% and net NPA at 0.9% (1.7% and 0.8% as respectively as on March 31, 2018). The NPAs for the group are largely contributed by LAP, CV and Construction and Real Estate. The ability of the group to accelerate the recovery process and keep credit costs under check, remains a key item to monitor.

Diverse revenue sources; fee income (broking, distribution, PMS, commodities business) provides support to lending operations – Financing, wealth management (distribution) and retail broking activities are the key income contributors for the group, accounting for 55%, 27% and 18% respectively of total income[2] in Q1FY2019 (48%, 28% and 23% respectively in FY2018). The share of consolidated operating income from financing and distribution activities has increased steadily over the years while the share from the capital market related activities has declined. The contribution

[1]Including wealth finance book

[2] Income is net of interest expense

of the wealth management business to overall revenues has been good given the robust growth in client base and assets under management. Although the dependence on capital market related businesses has been reducing, the group's revenue and profitability indicators remain vulnerable to cyclicality in the domestic capital markets.

Adequate capitalisation; demonstrated ability of the group to raise equity – IIFL group's capitalisation is comfortable with a consolidated gearing[3] of 5.02 times as on March 31, 2018. The consolidated net worth[4] stood at Rs. 5,542 crore as on June 30, 2018. At the group level, the gearing is expected to remain around 5-5.5 times in the medium term. India Infoline Finance (the non-banking finance company) reported CRAR of 19.0% with Tier 1 of 15.9% as on June 30, 2018 (16.2% and 14.8% respectively as on March 31, 2018). The increase in CRAR was on account of sub debt issuance of Rs. 325 crore subscribed by CDC Group Plc. IIFL Wealth Finance raised equity capital of Rs. 745.71 crore in Q1FY2019 by selling 5.1% stake of IIFL Holdings to marquee financial investors in Q1FY2019 (Amansa, General Atlantic, HDFC Standard Life Insurance, Rimco, Steadview and Ward Ferry). ICRA derives comfort from the group's demonstrated ability to raise equity.

Profitability metrics remain strong –The net interest margins for the group have declined over the years with the group focussing on the safer, lower yielding mortgage segment and the decline in share of higher yielding segments like gold loans and capital markets financing. Nevertheless, with decreasing cost of funds and reducing operating expenses with an increase in scale and digitisation of lending operations, the group's profitability remained good. The group reported a consolidated net profit of Rs. 1,162 crore (3.0% of ATA) in FY2018 as compared to Rs. 822 crore (2.9% of ATA) in FY2017. The group reported a consolidated net profit of Rs. 344.5 crore as per IND AS in Q1FY2019 as compared to Rs. 252.7 crore in Q1FY2018, a YoY growth of 36%.

Credit weaknesses

Liquidity position of the company in the current operating environment remains a key monitorable – Since September 2018, there has been a considerable squeeze in the debt capital markets. As a result, ability of issuers to find adequate refinance for their short term borrowings has been impacted. Considering the relatively high reliance by the group on short term commercial papers (34% as on June 30, 2018), ability of the group to generate enough liquidity to refinance its short term borrowings in the current operating environment will be a key monitorable. ICRA, however, takes note of the significant pool of assets (~Rs. 5,000 crore as on September 30, 2018) which could be securitised/assigned to generate additional liquidity. In addition ICRA also notes the availability of adequate bank lines to address short term market repayments.

Exposure to the more risky commercial LAP and land funding segments and high exposure to the riskier self-employed segment – The group continues to have some exposure to the more risky commercial LAP and land funding segments. However, the presence of adequate collateral mitigates risk in land funding to some extent. ICRA also takes note of the strategy of the group to reduce incremental exposures to the LAP segment. The group, like most of its peers, also has high exposure to the riskier self-employed segment whose earning profile is more volatile than the salaried segment.

[3]Including minority interest

[4] Excluding minority interest

High growth in the loan book over past three years; a large part of the loan book is yet to be tested for adverse economic cycles – The high growth in the loan book over the past two years (CAGR of 37%) has resulted in a moderately seasoned portfolio. Given the moderate seasoning in the financing businesses, which contribute the largest proportion of group revenues (49% for FY2018), IIFL's ability to maintain its asset quality across business cycles while growing its portfolio amidst intense competitive pressures would be closely monitored by ICRA and it would remain a key rating sensitivity.

Analytical approach: For arriving at the ratings, ICRA has taken a consolidated view for India Infoline Finance Limited along with its group company – IIFL Holdings Limited (rated [ICRA]AA(Stable)/A1+) – since both have operational linkages and share a common management.

Links to applicable criteria:
ICRA's Credit Rating Methodology for Non-Banking Finance Companies

About the company

India Infoline Finance Limited

IIFL, a subsidiary of IIFL Holdings Limited, is characterized as a systemically important non-deposit taking NBFC. IIFL focuses on secured lending and its product portfolio includes mortgage loans, gold loans, capital market finance, health care equipment finance and commercial vehicle finance. The group has merged a wholly owned subsidiary of India Infoline Finance Limited (IIFL); namely Moneyline Credit Limited with IIFL w.e.f. 1st April 2011.

IIFL Holdings Limited (formerly known as India Infoline Ltd.)

IIFL Holdings Limited (IIFL Holdings, formerly known as India Infoline Ltd.) was founded in 1995 by two professionals as an independent financial research provider. The name of the company was changed to IIFL Holdings Limited in FY2014 when it became a non-operating holding company. The group is engaged in equity broking, portfolio management services, depository services, investment banking, distribution of mutual funds and other financial products, commodity broking, margin funding, consumer loan funding and wealth management.

IIFL group's consolidated net worth stood at Rs. 5,066 crore as on March 31, 2018. The company reported a PAT of Rs. 1,162 crore (Rs 911 crore after minority interest) in FY2018 on a total assets of Rs. 43,703 crore as compared to PAT of Rs. 822 crore (Rs 686 crore after minority interest) in FY2017 on a total asset of Rs. 33,761 crore. The company reported a PAT of Rs. 345 crore in Q1FY2019 on total assets of Rs. 45,239 crore.

Key Financial Indicators (Audited) (Consolidated for IIFL Holdings)

	FY2017	FY2018	Q1FY2018^	Q1FY2019^
Total Revenues	4,925	6,437	1,435	1,806
Profit after tax	822	1162	252	345
Networth	4,381	5,066	4,191	5,542
Loan Book (AUM)	25,896	37,835	27,635	39,264
Total assets	33,761	43,703	36,689	45,239
PAT/ATA*	2.90%	3.00%	3.76%	3.58%
Return on equity*	14.59%	17.70%	23.51%	25.98%
Gross NPA	1.82%	1.71%	2.04%	2.01%
Net NPA	0.58%	0.79%	0.83%	0.87%
Capital adequacy ratio	18.10%	16.20%	20.60%	19.00%
Gearing	4.32	5.02	-	-

Amounts in Rs. Crore
Amounts in Rs. crore
^As per IND AS
**Annualized*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

	Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Current Rating (FY2019)	Chronology of Rating History for the past 3 years						
					Date & Rating			FY2018			FY2017		FY2016
					Nov-18	Sep-18	July 18	Mar 18	Feb 18	Aug 17	Mar 17	Oct 16	Sept 15
1	NCD Programme	Long Term	5,000.00	NA	[ICRA]AA(stable) assigned	-	-	-	-	-	-	-	-
2	Commercial Paper Programme	Short Term	8,000.00	NA	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
3	Long Term Bank Lines	Long Term	5,775.00	2,957.00	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)
4	Long Term Debt Programme	Long Term	2,510.00	1,810.70	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)
5	Secured NCD Programme	Long Term	2,000.00		[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)
6	Subordinate Debt Programme	Long Term	1,000.00	943.42	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)
7	Unsecured NCD Programme	Long Term	500		[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)	[ICRA]AA(stable)
8	Long term principal protected market linked debenture programme[5]	Long Term	400	-	[ICRA]AA(stable)	PP-MLD[ICRA]AA(stable)							
9	Long term principal	Long Term	500	30	PP-MLD[ICRA]A	PP-MLD[ICRA]	PP-MLD[ICRA]	PP-MLD[ICRA]	PP-MLD[ICRA]	PP-MLD[ICRA]A	PP-MLD[ICRA]	PP-MLD[ICRA]	PP-MLD[ICRA]A

[5] Proposed

	Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Current Rating (FY2019)			Chronology of Rating History for the past 3 years					
					Date & Rating			FY2018			FY2017		FY2016
					Nov-18	Sep-18	July 18	Mar 18	Feb 18	Aug 17	Mar 17	Oct 16	Sept 15
	protected equity linked debenture programme				A(stable)	AA(stable)	AA(stable)	AA(stable)	AA(stable)	A(stable)	AA(stable)	AA(stable)	A(stable)
10	Long term principal protected market linked debenture programme	Long Term	100		PP-MLD[ICRA]AA(stable)	PP-MLD[ICRA]AA(stable)	PP-MLD[ICRA]AA(stable)	PP-MLD[ICRA]AA(stable)	PP-MLD[ICRA]AA(stable)	PP-MLD[ICRA]AA(stable)	PP-MLD[ICRA]AA(stable)	PP-MLD[ICRA]AA(stable)	PP-MLD[ICRA]AA(stable)

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
Un-listed	Unsecured NCD Programme/Subordinate Debt Programme	18-Jan-12	12.75%	18-Jan-19	0.116	[ICRA]AA(stable)
Un-listed	Unsecured NCD Programme/Subordinate Debt Programme	7-Feb-12	12.75%	7-Feb-19	0.025	[ICRA]AA(stable)
Un-listed	Unsecured NCD Programme/Subordinate Debt Programme	7-Feb-12	12.75%	7-Feb-19	0.003	[ICRA]AA(stable)
Un-listed	Unsecured NCD Programme/Subordinate Debt Programme	23-Feb-12	12.75%	23-Feb-19	0.047	[ICRA]AA(stable)
Un-listed	Unsecured NCD Programme/Subordinate Debt Programme	2-Mar-12	12.75%	2-Mar-19	0.009	[ICRA]AA(stable)
Un-listed	Unsecured NCD Programme/Subordinate Debt Programme	30-Mar-12	12.75%	30-Mar-19	0.035	[ICRA]AA(stable)
Un-listed	Unsecured NCD Programme/Subordinate Debt Programme	30-Mar-12	12.75%	30-Mar-19	0.005	[ICRA]AA(stable)
Un-listed	Unsecured NCD Programme/Subordinate Debt Programme	4-Apr-12	Zero Coupon	4-Apr-18	0.177	[ICRA]AA(stable)
INE866I08121	Unsecured NCD Programme/Subordinate Debt Programme	31-Aug-12	12.15%	31-Aug-22	15.000	[ICRA]AA(stable)
INE866I08121	Unsecured NCD Programme/Subordinate Debt Programme	31-Aug-12	12.15%	30-Aug-22	5.000	[ICRA]AA(stable)
INE866I08139	Unsecured NCD Programme/Subordinate Debt Programme	18-Sep-12	12.75%	17-Sep-18	394.853	[ICRA]AA(stable)
INE866I08147	Unsecured NCD Programme/Subordinate Debt Programme	18-Sep-12	12.75%	17-Sep-18	60.038	[ICRA]AA(stable)
INE866I08154	Unsecured NCD Programme/Subordinate Debt Programme	18-Sep-12	Zero Coupon	17-Sep-18	45.109	[ICRA]AA(stable)
INE866I08162	Unsecured NCD Programme/Subordinate Debt Programme	5-Nov-12	12.20%	4-Nov-22	23.000	[ICRA]AA(stable)
INE866I07552	Long Term Debt Programme/ Secured NCD Programme	24-May-13	10.00%	24-May-18	10.000	[ICRA]AA(stable)
INE866I08170	Unsecured NCD Programme/Subordinate Debt Programme	24-May-13	12.10%	24-May-23	10.000	[ICRA]AA(stable)
INE866I07560	Long Term Debt Programme/ Secured NCD Programme	11-Jun-13	10.55%	11-Jun-18	10.000	[ICRA]AA(stable)

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE866I08196	Unsecured NCD Programme/Subordinate Debt Programme	5-Sep-14	12.00%	5-Sep-20	200.000	[ICRA]AA(stable)
INE866I07800	Long Term Debt Programme/ Secured NCD Programme	31-Dec-14	12.00%	31-May-18	9.600	[ICRA]AA(stable)
INE866I07917	Long Term Debt Programme/ Secured NCD Programme	27-Feb-15	11.00%	10-Apr-18	6.700	[ICRA]AA(stable)
INE866I08204	Unsecured NCD Programme/Subordinate Debt Programme	25-Mar-15	11.25%	3-Jun-20	10.000	[ICRA]AA(stable)
INE866I08212	Unsecured NCD Programme/Subordinate Debt Programme	31-Mar-15	10.20%	30-Apr-20	45.000	[ICRA]AA(stable)
INE866I07974	Long Term Debt Programme/ Secured NCD Programme	12-May-15	10.20%	17-Apr-18	14.200	[ICRA]AA(stable)
INE866I07982	Long Term Debt Programme/ Secured NCD Programme	12-May-15	10.45%	8-May-18	4.000	[ICRA]AA(stable)
INE866I07990	Long Term Debt Programme/ Secured NCD Programme	2-Jun-15	Zero Coupon	24-May-18	17.500	[ICRA]AA(stable)
INE866I07AA6	Long Term Debt Programme/ Secured NCD Programme	2-Jun-15	10.75%	31-May-18	3.500	[ICRA]AA(stable)
INE866I07AE8	Long Term Debt Programme/ Secured NCD Programme	13-Aug-15	Zero Coupon	9-Aug-18	25.000	[ICRA]AA(stable)
INE866I07AF5	Long Term Debt Programme/ Secured NCD Programme	13-Aug-15	Zero Coupon	13-Jul-18	10.000	[ICRA]AA(stable)
INE866I07AG3	Long Term Debt Programme/ Secured NCD Programme	13-Aug-15	10.75%	14-Jun-18	7.000	[ICRA]AA(stable)
INE866I08220	Unsecured NCD Programme/Subordinate Debt Programme	11-Sep-15	Zero Coupon	10-Sep-21	20.000	[ICRA]AA(stable)
INE866I08238	Unsecured NCD Programme/Subordinate Debt Programme	16-Sep-15	Zero Coupon	16-Sep-21	15.000	[ICRA]AA(stable)
INE866I07AH1	Long Term Debt Programme/ Secured NCD Programme	16-Oct-15	Zero Coupon	3-Oct-18	13.000	[ICRA]AA(stable)
INE866I07AI9	Long Term Debt Programme/ Secured NCD Programme	16-Oct-15	Zero Coupon	13-Sep-18	6.000	[ICRA]AA(stable)
INE866I07AJ7	Long Term Debt Programme/ Secured NCD Programme	16-Oct-15	Zero Coupon	17-Oct-18	3.000	[ICRA]AA(stable)
INE866I07AK5	Long Term Debt Programme/ Secured NCD Programme	3-Dec-15	10.75%	25-Oct-18	3.000	[ICRA]AA(stable)
INE866I07AL3	Long Term Debt Programme/ Secured NCD Programme	3-Dec-15	10.50%	8-Nov-18	3.000	[ICRA]AA(stable)
INE866I07AM1	Long Term Debt Programme/ Secured NCD Programme	3-Dec-15	Zero Coupon	27-Nov-18	6.000	[ICRA]AA(stable)
INE866I07AP4	Principal Protected Market Linked Debenture Programme	18-Dec-15	Zero Coupon	18-Jan-19	5.000	PP-MLD[ICRA]AA(stable)
INE866I07AT6	Long Term Debt Programme/ Secured NCD Programme	18-Jan-16	Zero Coupon	12-Dec-18	3.400	[ICRA]AA(stable)
INE866I07AU4	Long Term Debt Programme/ Secured NCD Programme	18-Jan-16	Zero Coupon	26-Dec-18	3.400	[ICRA]AA(stable)
INE866I07AV2	Long Term Debt Programme/	18-Jan-16	Zero	16-Jan-19		[ICRA]AA(stable)

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
	Secured NCD Programme		Coupon		4.400	
INE866I07AX8	Principal Protected Market Linked Debenture Programme	21-Apr-16	Zero Coupon	24-Apr-18	25.00	PP-MLD[ICRA]AA(stable)
INE866I07BB2	Long Term Debt Programme/ Secured NCD Programme	3-Oct-16	Market / NAV	20-Apr-20	150.00	[ICRA]AA(stable)
INE866I07BC0	Long Term Debt Programme/ Secured NCD Programme	6-Oct-16	Zero Coupon	5-Apr-19	200.00	[ICRA]AA(stable)
INE866I07BD8	Long Term Debt Programme/ Secured NCD Programme	6-Oct-16	Zero Coupon	12-Sep-19	6.500	[ICRA]AA(stable)
INE866I07BE6	Long Term Debt Programme/ Secured NCD Programme	6-Oct-16	Zero Coupon	24-Sep-19	10.500	[ICRA]AA(stable)
INE866I07BG1	Long Term Debt Programme/ Secured NCD Programme	4-Nov-16	Market / NAV	4-Nov-19	30.000	[ICRA]AA(stable)
INE866I07BH9	Long Term Debt Programme/ Secured NCD Programme	5-Jan-17	9.30%	7-Apr-20	11.000	[ICRA]AA(stable)
INE866I07BI7	Long Term Debt Programme/ Secured NCD Programme	5-Jan-17	Zero Coupon	12-Nov-19	5.000	[ICRA]AA(stable)
INE866I07BJ5	Long Term Debt Programme/ Secured NCD Programme	31-Mar-17	Zero Coupon	30-Apr-20	500.00	[ICRA]AA(stable)
INE866I07BK3	Long Term Debt Programme/ Secured NCD Programme	25-Sep-17	Zero Coupon	26-Aug-19	125.00	[ICRA]AA(stable)
INE866I07BL1	Long Term Debt Programme/ Secured NCD Programme	29-Sep-17	9.20%	29-Apr-21	250.000	[ICRA]AA(stable)
INE866I07BM9	Long Term Debt Programme/ Secured NCD Programme	21-Nov-17	Zero Coupon	21-May-19	100.00	[ICRA]AA(stable)
INE866I08246	Unsecured NCD Programme/Subordinate Debt Programme	21-Nov-17	Zero Coupon	19-Nov-27	100.00	[ICRA]AA(stable)
INE866I07BN7	Long Term Debt Programme/ Secured NCD Programme	6-Dec-17	8.87%	6-Jun-19	150.000	[ICRA]AA(stable)
INE866I07BO5	Long Term Debt Programme/ Secured NCD Programme	14-Mar-18	7.85%	30-Apr-21	10.00	[ICRA]AA(stable)
INE866I07BP2	Long Term Debt Programme/ Secured NCD Programme	27-Mar-18	8.00%	5-Jul-19	100.00	[ICRA]AA(stable)
NA	Principal Protected Market Linked Debenture Programme	NA	NA	NA	400.00	PP-MLD[ICRA]AA(stable)
NA	Commercial Paper Programme	NA	NA	7-365 days	8,000.00	[ICRA]A1+
NA	Long Term Bank Lines	NA	NA	NA	5,775.00	[ICRA]AA(stable)

Source: Company Data, Data as on June 30, 2018

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ANNEXURE D – DEBENTURE TRUSTEE CONSENT LETTER

Ref No.: CTL/MUM/18-19/DEB/413

October 31, 2018

The Board of Directors
India Infoline Finance Limited
14th floor, ParineeCrescenzo, C-38 and C-39, G Block,
Behind MCA, BandraKurla Complex,
Bandra(East) Mumbai – 400051

Dear Sir/ Madam,

Sub: Proposed public Issue by India Infoline Finance Limited ("Company") of secured, redeemable, non-convertible debentures of face value of Rs.1000 each and unsecured, redeemable, non-convertible debentures of face value of Rs.1000/- each aggregating upto Rs. 5,000 crores through one or more tranches ("Issue").

We, the undersigned, hereby consent to be named as the Debenture Trustee to the Issue pursuant to Regulation 4(4) of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended and to our name being inserted as the Debenture Trustee to the Issue in the Draft Shelf Prospectus to be filed with the BSE Limited / National Stock Exchange of India Limited]("**Stock Exchange**")and the Securities and Exchange Board of India ("**SEBI**") and the Shelf Prospectus and the Tranche Prospectus to be filed with the Registrar of Companies, Maharashtra, Mumbai("**RoC**"), Stock Exchange and SEBI, in respect of the Issue and in all related advertisements and in all the subsequent periodical communications to be sent to the holders of the NCDs issued pursuant to this Issue. The following details with respect to us may be disclosed:

Name:	Catalyst Trusteeship Limited
Address:	'GDA House' Plot No. 85, Bhusari Colony (Right), Kothrud, Pune - 411038
Tel:	022 - 49220539
Fax:	022 - 49220505
Email:	ComplianceCTL-mumbai@ctltrustee.com
Website:	www.catalysttrustee.com
Contact Person:	Umesh Salvi
Investor Grievance e-mail:	grievance@ctltrustee.com
SEBI Registration No:	IND000000034

We confirm that we are registered with the SEBI and that such registration is valid as on date of this letter. We enclose a copy of our registration certificate and declaration regarding our registration with SEBI in the required format [*As enclosed in Annexure A*]. We also certify that we have not been prohibited from SEBI to act as an intermediary in capital market issues. [*Enclose a copy of the registration certificate and declaration in the required format*]. We also authorize you to deliver a copy of this letter of consent to the RoC, pursuant to the provisions of Section 26 of the Companies Act, 2013 and other applicable laws or any other regulatory authority as required by law.

We also agree to keep strictly confidential, until such time as the proposed transaction is publicly announced by the company in the form of a press release, (i) the nature and scope of this transaction; and (ii)our knowledge of the proposed transaction of the Company.

Your faithfully,
For **Catalyst Trusteeship Limited**

CATALYST TRUSTEESHIP LIMITED

Authorised Signatory

Annexure A

Date: October 31, 2018

To,
The Board of Directors
India Infoline Finance Limited
14th floor, ParineeCrescenzo, C-38 and C-39, G Block,
Behind MCA, BandraKurla Complex,
Bandra(East) Mumbai – 400051

Dear Sir/ Madam,

Sub: Proposed public Issue by India Infoline Finance Limited ("Company") of secured, redeemable, non-convertible debentures of face value of Rs.1000 each and unsecured, redeemable, non-convertible debentures of face value of Rs.1000/- each aggregating upto Rs. 5,000 crores through one or more tranches ("Issue").

We hereby confirm that as on date the following details in relation to our registration with the Securities and Exchange Board of India as a Debenture Trustee is true and correct:

S. No.	Particulars	Details
1.	Registration Number	IND000000034
2.	Date of registration/ date of last renewal of registration/ date of application for renewal of registration	July 29,2016
3.	Date of expiry of registration	Permanent Registration
4.	Details of any communication from SEBI prohibiting from acting as an intermediary	NIL
5.	Details of any pending inquiry/ investigation being conducted by SEBI	NIL
6.	Details of any penalty imposed by SEBI	NIL

We shall immediately intimate the Company of any changes, additions or deletions in respect of the matters covered in this certificate till the date when the securities of the Issuer, offered, issued and allotted pursuant to the Issue, are traded on the Stock Exchange. In the absence of any such communication from us, the above information should be taken as updated information until the listing and trading of the Non-Convertible Debentures on the Stock Exchange.

Yours faithfully,
For **Catalyst Trusteeship Ltd.**

Authorised Signatory

CATALYST TRUSTEESHIP LIMITED

ANNEXURE E – STATEMENT OF AGGREGATE NUMBER OF SECURITIES PURCHASED OR SOLD

Statement of the aggregate number of securities of our Company and our Subsidiary, purchased or sold by our promoter, promoter group, our directors and/or their relatives within six months immediately preceding the date of filing of this Draft Shelf Prospectus in the following format

Except for the details as set out in the table below, no securities of our Company have been purchased or sold by our promoter, promoter group, our directors and/or their relatives within six months immediately preceding the date of filing of this Draft Shelf Prospectus.

a. Equity Shares of our Company, sold / purchased by our Promoter

S.No.	Name of the Person	No. of Equity Shares purchased of Rs. 10/- each	Number of Equity Shares sold of Rs. 10/- each	Date of transaction
1.	IIFL Holdings Limited	500	-	May 5, 2018
2.	IIFL Holdings Limited	500	-	May 16, 2018
3.	IIFL Holdings Limited	1000	-	May 17, 2018
4.	IIFL Holdings Limited	5380	-	July 23, 2018
5.	IIFL Holdings Limited	500	-	July 23, 2018
6.	IIFL Holdings Limited	3350	-	July 23, 2018
7.	IIFL Holdings Limited	800	-	July 23, 2018
8.	IIFL Holdings Limited	3,050	-	August 10, 2018
9.	IIFL Holdings Limited	6,566	-	August 10, 2018
10.	IIFL Holdings Limited	13,590	-	November 15, 2018

b. Non-Convertible Debentures of our Company sold / purchased by our Directors

S.No.	Name of the Person	Face Value of NCDs	Nature of NCDs	Number of NCDs purchased	Number of NCDs sold	Date of transaction
1.	Nirmal Jain	1000	Unsecured	Nil	30,000	August 21, 2018
2.	Venkataraman Rajamani	1000	Unsecured	Nil	4,500	August 20, 2018

c. Non- Convertible Debentures of our Company, sold / purchased by our group companies

S.No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
1	IIFL Wealth Finance Limited	July 2, 2018	12.75% INDIA INFOLINE FINANCE LIMITED OPT-III NCD 17SP18 FVRS1000 CUMM_N7	1000	454.00	-
2	IIFL Wealth Finance Limited	July 2, 2018	12.75% INDIA INFOLINE FINANCE LIMITED OPT-III NCD 17SP18 FVRS1000 CUMM_N7	1000	150.00	-

S.No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
3	IIFL Wealth Finance Limited	July 4, 2018	12% INDIA INFOLINE FINANCE LIMITED 60M OP-III MONTHLY	1000	88.00	-
4	IIFL Wealth Finance Limited	July 5, 2018	12% INDIA INFOLINE FINANCE LIMITED 60M OP-III MONTHLY	1000	118.00	-
5	IIFL Wealth Finance Limited	July 5, 2018	12.75% INDIA INFOLINE FINANCE LIMITED 12.75 NCD 17SP18 FVRS1000	1000	399.00	-
6	IIFL Wealth Finance Limited	July 5, 2018	12.75% INDIA INFOLINE FINANCE LIMITED OPT-III NCD 17SP18 FVRS1000 CUMM_N7	1000	121.00	-
7	IIFL Wealth Finance Limited	July 6, 2018	12% INDIA INFOLINE FINANCE LIMITED 60M OP-III MONTHLY	1000	120.00	-
8	IIFL Wealth Finance Limited	July 6, 2018	12.75% INDIA INFOLINE FINANCE LIMITED 12.75 NCD 17SP18 FVRS1000	1000	7,471.00	-
9	IIFL Wealth Finance Limited	July 6, 2018	12.75% INDIA INFOLINE FINANCE LIMITED OPT-III NCD 17SP18 FVRS1000 CUMM_N7	1000	794.00	-
10	IIFL Wealth Finance Limited	July 9, 2018	12.75% INDIA INFOLINE FINANCE LIMITED 12.75 NCD	1000	4,500.00	-

S.No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
			17SP18 FVRS1000			
11	IIFL Wealth Finance Limited	July 9, 2018	12.75% INDIA INFOLINE FINANCE LIMITED OPT-III NCD 17SP18 FVRS1000 CUMM_N7	1000	116.00	-
12	IIFL Wealth Finance Limited	July 10, 2018	12.75% INDIA INFOLINE FINANCE LIMITED 12.75 NCD 17SP18 FVRS1000	1000	2,476.00	-
13	IIFL Wealth Finance Limited	July 16, 2018	12.75% INDIA INFOLINE FINANCE LIMITED OPT-III NCD 17SP18 FVRS1000 CUMM_N7	1000	1,057.00	-
14	IIFL Wealth Finance Limited	May 14, 2018	12.75% INDIA INFOLINE FINANCE LIMITED OPT-II 12.75 NCD 17SP18 FVRS1000_ N6	1000	-	80,200.00
15	IIFL Wealth Finance Limited	July 9, 2018	12.75% INDIA INFOLINE FINANCE LIMITED 12.75 NCD 17SP18 FVRS1000	1000	-	200.00
16	IIFL Wealth Finance Limited	August 1, 2018	12% INDIA INFOLINE FINANCE LIMITED 60M OP-III MONTHLY	1000	-	326.00
17	IIFL Wealth Finance Limited	August 1, 2018	12.75% INDIA INFOLINE FINANCE LIMITED 12.75 NCD	1000	-	14,646.00

S.No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
			17SP18 FVRS1000			
18	IIFL Wealth Finance Limited	August 1, 2018	12.75% INDIA INFOLINE FINANCE LIMITED OPT-III NCD 17SP18 FVRS1000 CUMM_N7	1000	-	2,692.00
19	IIFL Wealth Finance Limited	September 12, 2018	INDIA INFOLINE FINANCE LIMITED C-11 BR NCD 21AP20 FVRS10LAC	1000000	-	5.00
20	IIFL Wealth Finance Limited	September 12, 2018	INDIA INFOLINE FINANCE LIMITED C-11 BR NCD 21AP20 FVRS10LAC	1000000	-	2.00
21	IIFL Wealth Finance Limited	September 12, 2018	INDIA INFOLINE FINANCE LIMITED C-11 BR NCD 21AP20 FVRS10LAC	1000000	-	10.00
22	IIFL Wealth Finance Limited	September 12, 2018	INDIA INFOLINE FINANCE LIMITED C-11 BR NCD 21AP20 FVRS10LAC	1000000	-	2.00
23	IIFL Wealth Finance Limited	September 12, 2018	INDIA INFOLINE FINANCE LIMITED C-11 BR NCD 21AP20 FVRS10LAC	1000000	-	2.00
24	IIFL Wealth Finance Limited	September 12, 2018	INDIA INFOLINE FINANCE LIMITED C-11 BR NCD 21AP20 FVRS10LAC	1000000	-	10.00
25	IIFL Wealth Finance Limited	September 14, 2018	INDIA INFOLINE FINANCE LIMITED C-11 BR NCD	1000000	-	5.00

S.No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
			21AP20 FVRS10LAC			
26	IIFL Wealth Finance Limited	September 14, 2018	INDIA INFOLINE FINANCE LIMITED C-11 BR NCD 21AP20 FVRS10LAC	1000000	-	5.00
27	IIFL Wealth Finance Limited	September 17, 2018	INDIA INFOLINE FINANCE LIMITED SR C-12 BR NCD 27AR20 FVRS10LAC	1000000	-	10.00
28	IIFL Wealth Finance Limited	September 19, 2018	INDIA INFOLINE FINANCE LIMITED SR C-12 BR NCD 27AR20 FVRS10LAC	1000000	-	3.00
29	IIFL Wealth Finance Limited	September 19, 2018	INDIA INFOLINE FINANCE LIMITED SR C-12 BR NCD 27AR20 FVRS10LAC	1000000	-	10.00
30	IIFL Wealth Finance Limited	September 19, 2018	INDIA INFOLINE FINANCE LIMITED SR C-12 BR NCD 27AR20 FVRS10LAC	1000000	-	50.00
31	IIFL Wealth Finance Limited	September 26, 2018	INDIA INFOLINE FINANCE LIMITED C-11 BR NCD 21AP20 FVRS10LAC	1000000	-	3.00
32	IIFL Wealth Finance Limited	September 26, 2018	INDIA INFOLINE FINANCE LIMITED C-11 BR NCD 21AP20 FVRS10LAC	1000000	-	7.00
33	IIFL Wealth Finance Limited	September 26, 2018	INDIA INFOLINE FINANCE	1000000	-	10.00

S.No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
			LIMITED C-11 BR NCD 21AP20 FVRS10LAC			
34	IIFL Wealth Finance Limited	September 26, 2018	INDIA INFOLINE FINANCE LIMITED C-11 BR NCD 21AP20 FVRS10LAC	1000000	-	3.00
35	IIFL Wealth Finance Limited	September 26, 2018	INDIA INFOLINE FINANCE LIMITED C-11 BR NCD 21AP20 FVRS10LAC	1000000	-	5.00
36	IIFL Wealth Finance Limited	September 27, 2018	INDIA INFOLINE FINANCE LIMITED SR C-12 BR NCD 27AR20 FVRS10LAC	1000000	-	7.00
37	IIFL Wealth Finance Limited	September 27, 2018	INDIA INFOLINE FINANCE LIMITED SR C-12 BR NCD 27AR20 FVRS10LAC	1000000	-	22.00
38	IIFL Wealth Finance Limited	September 27, 2018	INDIA INFOLINE FINANCE LIMITED SR C-12 BR NCD 27AR20 FVRS10LAC	1000000	-	9.00
39	IIFL Wealth Finance Limited	October 1, 2018	INDIA INFOLINE FINANCE LIMITED C-11 BR NCD 21AP20 FVRS10LAC	1000000	-	3.00
40	IIFL Wealth Finance Limited	October 1, 2018	INDIA INFOLINE FINANCE LIMITED C-11 BR NCD 21AP20 FVRS10LAC	1000000	-	22.00

S.No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
41	IIFL Wealth Finance Limited	October 16, 2018	INDIA INFOLINE FINANCE LIMITED C-11 BR NCD 21AP20 FVRS10LAC	1000000	-	81.00
42	IIFL Alternate Asset Advisors Limited	August 1, 2018	12% INDIA INFOLINE FINANCE LIMITED 60M OP-III MONTHLY	1000	326.00	-
43	IIFL Alternate Asset Advisors Limited	August 1, 2018	12.75% INDIA INFOLINE FINANCE LIMITED 12.75 NCD 17SP18 FVRS1000	1000	14,646.00	-
44	IIFL Alternate Asset Advisors Limited	August 1, 2018	12.75% INDIA INFOLINE FINANCE LIMITED OPT-III NCD 17SP18 FVRS1000 CUMM_N7	1000	2,692.00	-
45	IIFL Alternate Asset Advisors Limited	August 20, 2018	12.75% INDIA INFOLINE FINANCE LIMITED OPT-III NCD 17SP18 FVRS1000 CUMM_N7	1000	4,749.00	-
46	IIFL Alternate Asset Advisors Limited	August 20, 2018	12.75% INDIA INFOLINE FINANCE LIMITED OPT-III NCD 17SP18 FVRS1000 CUMM_N7	1000	10,000.00	-
47	IIFL Alternate Asset Advisors Limited	August 21, 2018	12.75% INDIA INFOLINE FINANCE LIMITED OPT-III NCD 17SP18 FVRS1000 CUMM_N7	1000	30,630.00	-

S.No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
48	IIFL Alternate Asset Advisors Limited	August 23, 2018	12.75% INDIA INFOLINE FINANCE LIMITED OPT-III NCD 17SP18 FVRS1000 CUMM_N7	1000	5,000.00	-
49	IIFL Alternate Asset Advisors Limited	August 28, 2018	12.75% INDIA INFOLINE FINANCE LIMITED OPT-III NCD 17SP18 FVRS1000 CUMM_N7	1000	7,597.00	-
50	IIFL Alternate Asset Advisors Limited	October 3, 2018	INDIA INFOLINE FINANCE LIMITED LTP 935-250828 FVRS 10LAC	1000000	75.00	-
51	IIFL Alternate Asset Advisors Limited	September 4, 2018	INDIA INFOLINE FINANCE LIMITED LTP 935-250828 FVRS 10LAC	1000000	-	19.00
52	IIFL Alternate Asset Advisors Limited	September 4, 2018	INDIA INFOLINE FINANCE LIMITED LTP 935-250828 FVRS 10LAC	1000000	-	50.00
53	IIFL Alternate Asset Advisors Limited	September 4, 2018	INDIA INFOLINE FINANCE LIMITED LTP 935-250828 FVRS 10LAC	1000000	-	50.00
54	IIFL Alternate Asset Advisors Limited	September 5, 2018	INDIA INFOLINE FINANCE LIMITED LTP 935-250828 FVRS 10LAC	1000000	-	25.00

S.No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
55	IIFL Alternate Asset Advisors Limited	September 5, 2018	INDIA INFOLINE FINANCE LIMITED LTP 935-250828 FVRS 10LAC	1000000	-	75.00
56	IIFL Alternate Asset Advisors Limited	September 6, 2018	INDIA INFOLINE FINANCE LIMITED LTP 935-250828 FVRS 10LAC	1000000	-	5.00
57	IIFL Alternate Asset Advisors Limited	September 6, 2018	INDIA INFOLINE FINANCE LIMITED LTP 935-250828 FVRS 10LAC	1000000	-	5.00
58	IIFL Alternate Asset Advisors Limited	September 6, 2018	INDIA INFOLINE FINANCE LIMITED LTP 935-250828 FVRS 10LAC	1000000	-	6.00
59	IIFL Alternate Asset Advisors Limited	September 6, 2018	INDIA INFOLINE FINANCE LIMITED LTP 935-250828 FVRS 10LAC	1000000	-	5.00
60	IIFL Alternate Asset Advisors Limited	September 6, 2018	INDIA INFOLINE FINANCE LIMITED LTP 935-250828 FVRS 10LAC	1000000	-	1.00
61	IIFL Alternate Asset Advisors Limited	September 11, 2018	INDIA INFOLINE FINANCE LIMITED LTP 935-250828 FVRS 10LAC	1000000	-	42.00

S.No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
62	IIFL Alternate Asset Advisors Limited	October 11, 2018	INDIA INFOLINE FINANCE LIMITED LTP 935-250828 FVRS 10LAC	1000000	-	25.00

d. Non- Convertible Debentures of our Subsidiary IIHFL, sold / purchased by our group companies.

S.No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
1	IIFL Wealth Finance Limited	July 2, 2018	INDIA INFOLINE HOUSING FINANCE LIMITED SR-IHF 001 TYPE B BR NCD 21DC18 FVRS10LAC	1000000	8.00	-
2	IIFL Wealth Finance Limited	June 29, 2018	INDIA INFOLINE HOUSING FINANCE LIMITED SR-IHF 001 TYPE B BR NCD 21DC18 FVRS10LAC	1000000	-	8.00
3	IIFL Wealth Finance Limited	June 29, 2018	INDIA INFOLINE HOUSING FINANCE LIMITED SR-IHF 001 TYPE B BR NCD 21DC18 FVRS10LAC	1000000	-	8.00
4	IIFL Wealth Finance Limited	July 10, 2018	INDIA INFOLINE HOUSING FINANCE LIMITED SR-IHF 001 TYPE B BR NCD 21DC18 FVRS10LAC	1000000	-	8.00
5	IIFL Wealth Finance Limited	September 18, 2018	IIFL HOME FINANCE LIMITED MLD-2028	1000000	-	5.00

S.No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
			SERIES C3 FVRS10LAC			
6	IIFL Wealth Finance Limited	September 24, 2018	IIFL HOME FINANCE LIMITED MLD-2028 SERIES C3 FVRS10LAC	1000000	-	45.00
7	IIFL Alternate Asset Advisors Limited	August 16, 2018	IIFL HOME FINANCE LIMITED MLD-2028 SERIES C3 FVRS10LAC	1000000	-	50.00
8	IIFL Alternate Asset Advisors Limited	August 16, 2018	IIFL HOME FINANCE LIMITED MLD-2028 SERIES C3 FVRS10LAC	1000000	-	50.00
9	IIFL Alternate Asset Advisors Limited	August 23, 2018	IIFL HOME FINANCE LIMITED MLD-2028 SERIES C3 FVRS10LAC	1000000	-	20.00
10	IIFL Alternate Asset Advisors Limited	August 29, 2018	IIFL HOME FINANCE LIMITED MLD-2028 SERIES C3 FVRS10LAC	1000000	-	10.00
11	IIFL Alternate Asset Advisors Limited	August 29, 2018	IIFL HOME FINANCE LIMITED MLD-2028 SERIES C3 FVRS10LAC	1000000	-	5.00
12	IIFL Alternate Asset Advisors Limited	August 29, 2018	IIFL HOME FINANCE LIMITED MLD-2028 SERIES C3 FVRS10LAC	1000000	-	10.00
13	IIFL Alternate Asset Advisors Limited	September 4, 2018	IIFL HOME FINANCE LIMITED MLD-2028 SERIES C3 FVRS10LAC	1000000	-	100.00
14	IIFL Alternate Asset Advisors Limited	September 4, 2018	IIFL HOME FINANCE LIMITED MLD-2028 SERIES C3 FVRS10LAC	1000000	-	5.00

S.No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
15	IIFL Alternate Asset Advisors Limited	September 4, 2018	IIFL HOME FINANCE LIMITED MLD-2028 SERIES C3 FVRS10LAC	1000000	-	100.00
16	IIFL Alternate Asset Advisors Limited	September 4, 2018	IIFL HOME FINANCE LIMITED MLD-2028 SERIES C3 FVRS10LAC	1000000	-	5.00
17	IIFL Alternate Asset Advisors Limited	September 6, 2018	IIFL HOME FINANCE LIMITED MLD-2028 SERIES C3 FVRS10LAC	1000000	-	5.00
18	IIFL Alternate Asset Advisors Limited	September 26, 2018	IIFL HOME FINANCE LIMITED SR C6 BR NCD 21AR22 FVRS10LAC	1000000	-	5.00
19	IIFL Alternate Asset Advisors Limited	September 26, 2018	IIFL HOME FINANCE LIMITED SR C6 BR NCD 21AR22 FVRS10LAC	1000000	-	100.00

e. Non- Convertible Debentures of our Subsidiary (SML), sold / purchased by our group companies

S. No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
1	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	25.00
2	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	25.00
3	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD	100000	-	25.00

S. No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
			19OCT21 FVRS1LAC			
4	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	55.00
5	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	50.00
6	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	249.00
7	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	70.00
8	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	748.00
9	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	100.00
10	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	25.00

S. No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
11	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	25.00
12	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	50.00
13	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	118.00
14	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	50.00
15	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	500.00
16	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	903.00
17	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	215.00
18	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFIN	100000	-	200.00

S. No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
			ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC			
19	IIFL Wealth Finance Limited	June 29, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	33.00
20	IIFL Wealth Finance Limited	July 9, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	90.00
21	IIFL Wealth Finance Limited	July 9, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	50.00
22	IIFL Wealth Finance Limited	July 9, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	396.00
23	IIFL Wealth Finance Limited	July 9, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	500.00
24	IIFL Wealth Finance Limited	July 9, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	50.00
25	IIFL Wealth Finance Limited	July 9, 2018	SAMASTA MICROFIN ANCE LIMITED	100000	-	30.00

S. No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
			SR-EC975-191021 NCD 19OCT21 FVRS1LAC			
26	IIFL Wealth Finance Limited	July 10, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	100.00
27	IIFL Wealth Finance Limited	July 10, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	200.00
28	IIFL Wealth Finance Limited	July 10, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	200.00
29	IIFL Wealth Finance Limited	July 10, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	100.00
30	IIFL Wealth Finance Limited	July 10, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	25.00
31	IIFL Wealth Finance Limited	July 10, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	50.00
32	IIFL Wealth Finance Limited	July 10, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD	100000	-	50.00

S. No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
			19OCT21 FVRS1LAC			
33	IIFL Wealth Finance Limited	July 10, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	34.00
34	IIFL Wealth Finance Limited	July 10, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	25.00
35	IIFL Wealth Finance Limited	July 11, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	55.00
36	IIFL Wealth Finance Limited	July 11, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	50.00
37	IIFL Wealth Finance Limited	July 11, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	50.00
38	IIFL Wealth Finance Limited	July 11, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	50.00
39	IIFL Wealth Finance Limited	July 12, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	65.00

S. No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
40	IIFL Wealth Finance Limited	July 12, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	50.00
41	IIFL Wealth Finance Limited	July 12, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	25.00
42	IIFL Wealth Finance Limited	July 13, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	50.00
43	IIFL Wealth Finance Limited	July 18, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	35.00
44	IIFL Wealth Finance Limited	July 19, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	100.00
45	IIFL Wealth Finance Limited	July 19, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	25.00
46	IIFL Wealth Finance Limited	July 19, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	50.00
47	IIFL Wealth Finance Limited	July 19, 2018	SAMASTA MICROFIN	100000	-	25.00

S. No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
			ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC			
48	IIFL Wealth Finance Limited	July 19, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	50.00
49	IIFL Wealth Finance Limited	July 19, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	25.00
50	IIFL Wealth Finance Limited	July 19, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	30.00
51	IIFL Wealth Finance Limited	July 19, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	25.00
52	IIFL Wealth Finance Limited	July 20, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	250.00
53	IIFL Wealth Finance Limited	July 20, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	300.00
54	IIFL Wealth Finance Limited	July 20, 2018	SAMASTA MICROFIN ANCE LIMITED	100000	-	100.00

S. No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
			SR-EC975-191021 NCD 19OCT21 FVRS1LAC			
55	IIFL Wealth Finance Limited	July 20, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	250.00
56	IIFL Wealth Finance Limited	July 20, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	295.00
57	IIFL Wealth Finance Limited	July 20, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	200.00
58	IIFL Wealth Finance Limited	July 31, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	150.00
59	IIFL Wealth Finance Limited	July 31, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	150.00
60	IIFL Wealth Finance Limited	July 31, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	75.00
61	IIFL Wealth Finance Limited	July 31, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	40.00

S. No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
62	IIFL Wealth Finance Limited	August 1, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	295.00
63	IIFL Wealth Finance Limited	August 1, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	1,000.00
64	IIFL Wealth Finance Limited	August 1, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	100.00
65	IIFL Wealth Finance Limited	August 1, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	296.00
66	IIFL Wealth Finance Limited	August 1, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	300.00
67	IIFL Alternate Asset Advisors Limited	August 1, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	1,000.00	-
68	IIFL Alternate Asset Advisors Limited	August 1, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	300.00	-
69	IIFL Alternate Asset Advisors Limited	August 3, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD	100000	-	100.00

S. No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
			19OCT21 FVRS1LAC			
70	IIFL Alternate Asset Advisors Limited	August 6, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	25.00
71	IIFL Alternate Asset Advisors Limited	August 6, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	100.00
72	IIFL Alternate Asset Advisors Limited	August 8, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	200.00
73	IIFL Alternate Asset Advisors Limited	August 20, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	25.00
74	IIFL Alternate Asset Advisors Limited	August 21, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	50.00
75	IIFL Alternate Asset Advisors Limited	August 21, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	100.00
76	IIFL Alternate Asset Advisors Limited	August 24, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	401.00
77	IIFL Alternate Asset Advisors Limited	August 27, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	50.00

S. No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
78	IIFL Alternate Asset Advisors Limited	August 29, 2018	SAMASTA MICROFIN ANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	25.00
79	IIFL Alternate Asset Advisors Limited	August 30, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	100.00
80	IIFL Alternate Asset Advisors Limited	August 30, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	500.00
81	IIFL Alternate Asset Advisors Limited	August 31, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	100.00
82	IIFL Alternate Asset Advisors Limited	September 4, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	50.00
83	IIFL Alternate Asset Advisors Limited	September 4, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	50.00
84	IIFL Alternate Asset Advisors Limited	September 4, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	25.00
85	IIFL Alternate Asset Advisors Limited	September 4, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	25.00
86	IIFL Alternate Asset Advisors Limited	September 5, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	200.00

S. No.	Name of Promoter Group Company	Date of transaction	Nature of NCDs	Face Value (In Rs.)	Number of NCDs purchased	Number of NCDs sold
87	IIFL Alternate Asset Advisors Limited	September 6, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	100.00
88	IIFL Alternate Asset Advisors Limited	September 12, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	100.00
89	IIFL Alternate Asset Advisors Limited	September 18, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	196.00
90	IIFL Alternate Asset Advisors Limited	September 25, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	100.00
91	IIFL Alternate Asset Advisors Limited	September 27, 2018	SAMASTA MICROFINANCE LIMITED SR-EC975-191021 NCD 19OCT21 FVRS1LAC	100000	-	200.00
92	IIFL Alternate Asset Advisors Limited	October 10, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	100.00
93	IIFL Alternate Asset Advisors Limited	October 10, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	100.00
94	IIFL Alternate Asset Advisors Limited	October 11, 2018	SAMASTA-SUB-DEBT-SERIES-I-2024 NCD 19APR24 FVRS1LAC	100000	-	100.00