

Public Issue of Secured & Unsecured NCDs

Tranche II Issue Opens	Tuesday, 6 th August, 2019
Tranche II Issue Closes	Friday, 30 th August, 2019

Issuer Overview:

- ▶ India Infoline Finance Limited (“**IIFL**” or the “**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.
- ▶ IIFL offerings include home loans, gold loans, business loans including loans against property and medium and small enterprise financing, micro finance, developer and construction finance and capital market finance; catering to both retail and corporate clients.
- ▶ The Company is a subsidiary of IIFL Finance Limited (erstwhile IIFL Holdings Limited), which is one of India’s leading financial services player. Prior to the Composite Scheme of Arrangement (effective May 2019), IIFL Finance was engaged in the business of financing, asset and wealth management, retail and institutional broking, financial products distribution and investment banking through its various subsidiaries.
- ▶ Subsidiaries of the Company are, IIFL Home Finance Limited (erstwhile India Infoline Housing Finance Limited), Samasta Microfinance Limited and Clara Developers Private Limited.

Widespread Network

The Company has a widespread network of 1,947 branches spanning the length and breadth of the country and employee strength stood at 16,779 as at March 31, 2019 on consolidated basis.

Strong Growth

The Company recorded a strong growth of 12% in AUM over the last fiscal year. As at March 31, 2019 and March 31, 2018, consolidated Assets Under Management were Rs. 34,903.47 crore and Rs. 31,133.63 crore respectively. The Company has maintained consistent low level of NPAs over the years of operation and continue to focus on maintaining good quality of assets with GNPA of 1.95% and NNPA of 0.62% as on March 31, 2019. Almost 85% of the company’s consolidated Loan Book is secured with adequate collaterals which helps mitigate risks further.

Lead Managers to the Issue:

- Edelweiss Financial Services Limited,
- IIFL Securities Limited,
- ICICI Securities Limited and
- Trust Investment Advisors Private Limited

Terms and Conditions in connection with the NCDs:

Issuer	India Infoline Finance Limited
Tranche II Issue Opens	Tuesday, 6th August, 2019
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Registrar	Link Intime India Pvt Limited
Trustee	Catalyst Trusteeship Limited
Allotment	First Come First Serve Basis
Issue Price	Rs. 1,000 per NCD
Face Value	Rs. 1,000 per NCD
Minimum Application	Rs. 10,000/- only
Base Issue	Rs. 1,000 million (Rs 100 cr)
Option to Retain Oversubscription Amount	Rs.9,000 million (Rs 900 cr)
Tranche II Issue Size	Rs. 10,000 million (Rs 1000 cr)
Nature of Indebtedness	Secured and Unsecured NCDs
Credit Ratings	"CRISIL AA/Stable" by CRISIL , "[ICRA] AA (Stable)" by ICRA and "BWR AA+/Stable" by Brickwork
Issuance mode of the instrument	In dematerialised form only
Listing On	BSE Limited and National Stock Exchange of India Limited
Depositories	CDSL and NSDL
Trading mode of the instrument	Compulsorily in dematerialised form

**with an option to close earlier and/ or extend upto a period as may be determined by the Company*

Specific terms for each of the NCDs:

Series	I	II	III	IV	V	VI
Nature of Indebtedness	Secured	Secured	Secured	Secured	Unsecured	Unsecured
Frequency of Interest payment	NA	Quarterly	NA	Annual	Monthly	NA
Face Value / Issue Price (Rs /NCD)	Rs. 1,000 per NCD					
Tenure (in months)	15 months	39 months	39 months	39 months	69 months	69 months
Coupon (% per annum) for all categories	NA	9.50%	NA	9.85%	10.00%	NA
Effective Yield (% per annum) for all categories	10.00%	9.84%	9.85%	9.85%	10.47%	10.50%
Amount(Rs /per NCD) on Maturity	1,126.75	1,000.00	1,357.33	1,000.00	1,000.00	1,776.16

Note: Company shall allocate and allot Series IV NCDs wherein the Applicants have not indicated the choice of the relevant NCD Series.

Company shall allocate and allot Series VI NCDs wherein the Applicants have not indicated the choice of relevant Unsecured NCD Series.

Investment Considerations:

- **Effective Yield** - 10.50% p.a. highest yield for all categories, for tenor of 69 mths with frequency of annual payment
- **Tenor and Frequency** - Tenors of 15 months, 39 months and 69 months available with various interest payment options like monthly, annual and cumulative
- **Liquidity**
 - Proposed to be listed on BSE Ltd and NSE. (BSE shall be the designated Stock Exchange)
 - Trading will be in dematerialized form only
- **Taxation** - No TDS since the holding will be in demat mode
- **Safety** - Instrument rated AA with Stable Outlook - carrying high degree of safety regarding timely servicing of financial obligations
- **Allotment on first come first serve basis** - For further details refer to section titled "Issue Related Information" on page 242 of the Tranche II Prospectus dated July 30, 2019. Allotment in the public issue of debt securities should be made on the basis of date of upload each application into the electronic book of stock exchange. However, on the date of oversubscription, the allotment should be made to the applicants on proportionate basis.

Allocation to category of the overall issue size:

Category	Investor type	Allocation
Category I	QIB portion	10% of the Issue Size
Category II	Corporate Portion	10% of the Issue Size
Category III	HNI	40% of the Issue Size
Category IV	Retail	40% of the Issue Size

Application in the Issue:

Applicants shall apply in this Issue in dematerialized form only, through valid Application Form filled in by the Applicant along with attachment, as applicable. Further, applications shall be made through ASBA facility only.

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, the Company shall instruct the SCSBs to unblock the excess amount blocked on application in accordance with the terms of this Tranche II Prospectus.

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*

Investor Category:

Category I (QIB / 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 (Corporate / 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

For further details, refer Shelf Prospectus dated January 11, 2019 and Tranche II Prospectus dated July 30, 2019 available on our website

*For further details refer to section titled “*Issue Related Information*” on page 242 of the Tranche II Prospectus dated July 30, 2019. Allotment in the public issue of debt securities should be made on the basis of date of upload of each application into the electronic book of the stock exchanges. However, on the date of oversubscription, the allotments should be made to the applicants on proportionate basis.

***The Tranche II Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated above, except that this Tranche II 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 this Tranche II 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 Tranche II 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 45 of the Shelf Prospectus and page 18 of the Tranche II Prospectus.

For further details please refer Shelf Prospectus dated January 11, 2019 and Tranche II Prospectus dated July 30, 2019.

DISCLAIMER:

India Infoline Finance Limited, subject to market conditions and other considerations is proposing a public issue of secured and unsecured redeemable non-convertible debentures (“**NCDs**”) and has filed the Shelf Prospectus dated January 11, 2019 and the Tranche II Prospectus dated July 30, 2019 (“**Prospectus**”) with the Registrar of Companies, Maharashtra at Mumbai, National Stock Exchange of India Limited, BSE Limited and SEBI. The Prospectus is available on our website at www.iifl.com, on the website of the stock exchanges at www.nseindia.com, www.bseindia.com, on the website of SEBI at www.sebi.gov.in and the respective websites of the lead managers at www.edelweissfin.com, www.iiflcap.com www.icicisecurities.com and www.trustgroup.in. Investors proposing to participate in the issue, should invest only on the basis of the information contained in the Prospectus. Investors should note that investment in NCDs involves a high degree of risk and for details relating to the same, please refer to Prospectus, including the section on “*Risk Factors*” beginning on page 18 of the Shelf Prospectus and on page 28 of the Tranche II Prospectus.

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