



India Infoline Limited

Registered Office: IIFL House, Sun Infotech Park, Road No. 16V,
Plot No.B-23, Thane Industrial Area, Wagle Estate, Thane - 400604

NOTICE

Notice is hereby given that the 18th Annual General Meeting of the Members of INDIA INFOLINE LIMITED will be held on Tuesday, July 23, 2013, at 4 p.m. at Hall of Harmony, Nehru Center, Dr. Annie Besant Road, Worli, Mumbai – 400018, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at March 31, 2013 and the Profit & Loss Account for the financial year ended on that date together with the Reports of the Auditors' and Directors' thereon.

In this regard to consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Balance Sheet as at March 31, 2013 and Profit and Loss Account for the year ended on that date together with the Auditors' and Directors' Reports as circulated to the shareholders and now laid before the meeting be and are hereby approved and adopted."

2. To appoint a Director in place of Mr. Kranti Sinha, who retires by rotation and being eligible, offers himself for reappointment.

In this regard to consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Kranti Sinha, who retires by rotation at this meeting and being eligible, offers himself for reappointment, be and is hereby reappointed as the Director of the Company."

3. To appoint a Director in place of Mr. A.K. Purwar, who retires by rotation and being eligible, offers himself for reappointment.

In this regard to consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. A.K. Purwar, who retires by rotation at this meeting and being eligible, offers himself for reappointment, be and is hereby reappointed as the Director of the Company."

4. To appoint Statutory Auditors and to fix their remuneration.

In this regard to consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Statutory Auditors of the Company, M/s. Sharp & Tannan Associates., Chartered Accountants, having registration no. 109983W, and who retire at the conclusion of this Annual General

Meeting, being eligible and willing to act as the Auditors of the Company, be and are hereby re-appointed as the Auditors of the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration as may be decided by the Board and the Statutory Auditors mutually."

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Dr. S Narayan, who was appointed as an Additional Director of the Company and whose term of appointment expires at this Annual General Meeting, and in respect of whom the Company has received notice under Section 257 of the Companies Act, 1956, proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 31 of the Companies Act, 1956, and subject to the approval of regulatory authorities, if any, Article 171 of the Articles of Association of the Company be and is hereby altered and substituted with the following new clause :

"Every deed or other instrument to which the Seal of the Company is required to be affixed shall, be affixed in the presence of atleast one Director or the Manager or the Secretary or such other person as the Board/ Committee of the Board may appoint for the purpose, who shall sign every instrument to which the Seal is so affixed in his presence provided that in respect of the Share Certificate the Seal shall be affixed in accordance with Article 22 (a)."

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company be and are hereby severally authorized to do or cause to be done all such acts, deeds and things as may be necessary and expedient to give effect to this resolution and to file all necessary intimations, forms and returns with the Registrar of Companies, Mumbai."

By Order of the Board

Dated: May 11, 2013
Place: Singapore

Sunil Lotke
Company Secretary

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxy form duly completed should be deposited at the registered office of the Company not less than forty- eight hours (48 hours) before the scheduled time of the Annual General Meeting. Blank Proxy Form is enclosed.
2. Relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Special Business, as set out above is annexed hereto. All the documents referred to in the Notice and Explanatory Statement are open for inspection at the Company's Registered Office on all working days of the Company between 11.00 a.m. to 1.00 p.m. upto the date of Annual General Meeting.
3. The disclosures required under Clause 49 of the Listing Agreement in respect of the Directors being reappointed in this Annual General Meeting are given as an Annexure to this Notice.
4. The Register of Members and the Share Transfer Book of the Company will remain closed from July 17, 2013 to July 23, 2013 (both days inclusive) for the purpose of Annual General Meeting.
5. Members are requested to notify immediately any change of address:
 - i. to their Depository Participants (DPs) in respect of their electronic share accounts, and
 - ii. to the Company at its Registered Office in respect of their physical shares, if any, quoting their folio number, banker's name and account number to ensure prompt and safe receipt of dividend warrants.
6. Members are requested :
 - i. to bring their copies of annual report , notice and attendance slip at the time of the meeting.
 - ii. to quote their folio nos./ID nos. in all correspondence.
 - iii. to note that no gifts will be distributed in the AGM.

Annexure to the Notice

Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956

The following explanatory statement sets out the material facts relating to the business mentioned in Item No. 5 & 6 of the accompanying Notice dated May 11, 2013.

ITEM NO. 5

The Board of Directors of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 (the Act) and the Articles of Association of the Company, had appointed Dr. S. Narayan as an Additional Director of the Company with effect from August 01, 2012. In terms of the provisions of Section 260 of the Act, Dr. S. Narayan holds office upto the date of this Annual General Meeting. A brief profile of Dr. Narayan is provided in this Notice.

The Company has received a notice in writing from a member along with a deposit of Rs.500/- proposing the candidature of Dr. S. Narayan for the office of Director of the Company under the provisions of Section 257 of the Act. Dr. S. Narayan is not disqualified from being appointed as Director in terms of Section 274(1)(g) of the Act.

Save and except Dr. S. Narayan, none of the other Directors of the Company is, in any way, concerned or interested in the Resolution set out at item no.5 of the notice.

Your Directors therefore commend the said resolution for your approval.

ITEM NO. 6

With view to meet the business requirements, the Company

is required to execute various agreements and documents with banks, financial institutions, and bodies corporate on day to day basis. Pursuant to the existing article in the Articles of Association for execution of deed, agreement and other documents, the common seal of the Company is required to be affixed in presence of Director and Secretary or such other person authorised by the Board of Directors. In order to facilitate administrative convenience it is proposed to amend the existing article on execution of common seal as per clause contained in the Special Resolution at item no. 6

Pursuant to section 31 of the Companies Act, 1956, the approval of the members of the Company is sought by way of special resolution for substitution of the said clause of the Articles of Association of the Company.

None of the Directors is interested in the proposed resolution.

By Order of the Board

Dated: May 11, 2013
Place: Singapore

Sunil Lotke
Company Secretary

**Details of Directors seeking re-appointment at the Annual General Meeting
(Item no. 2, 3 & 5)**

Name of the Directors	Mr. Kranti Sinha	Mr. A.K. Purwar	Dr. S. Narayan
Date of birth	December 28, 1942	May 14, 1946	June 20, 1943
Nationality	Indian	Indian	Indian
Date of appointment on the Board	January 27, 2005	October 03, 2008	August 01, 2012
Qualifications	Graduate from Agra University with a Master Degree	B.Com, Masters degree in commerce, Diploma in Business Administration	M.Sc., MBM, M Phil, Ph.D. degree
Brief resume and expertise in specific functional area	<p>Mr. Kranti Sinha — Board member since January 2005 — completed his masters from the Agra University and started his career as a Class I officer with Life Insurance Corporation of India. He served as the Director and Chief Executive of LIC Housing Finance Limited from August 1998 to December 2002 and concurrently as the Managing Director of LICHFL Care Homes (a wholly owned subsidiary of LIC Housing Finance Limited). He retired from the permanent cadre of the Executive Director of LIC; served as the Deputy President of the Governing Council of Insurance Institute of India and as a member of the Governing Council of National Insurance Academy, Pune apart from various other such bodies.</p>	<p>Mr. Purwar is currently the Chairman of IndiaVenture Advisors Pvt. Ltd., investment manager to IndiaVenture Trust – Fund I, the healthcare and life sciences focussed private equity fund sponsored by the Piramal Group. He has also taken over as the Chairman of IL & FS Renewable Energy Limited in March 2008. He is working as Independent Director in leading companies in Telecom, Steel, Textiles, Power, Auto components, Renewable Energy, Engineering Consultancy, Financial Services and Healthcare Services. He is an Advisor to Mizuho Securities in Japan, Member of the Board of Management of Bombay Hospital Trust and is also a member of Advisory Board for Institute of Indian Economic Studies (IIES), Waseda University, Tokyo, Japan.</p> <p>Mr. Purwar was the Chairman of State Bank of India, the largest bank in the country from November 2002 to May 2006 and held several important and critical positions like Managing Director of State Bank of Patiala, Chief Executive Officer of the Tokyo branch covering almost the entire range of commercial banking operations in his illustrious career at the bank from 1968 to 2006. Mr. Purwar also worked as Chairman of Indian Bank Association during 2005 – 2006. Awards received: “CEO of the year” Award from the Institute for Technology & Management (2004); “Outstanding Achiever of the year” Award from Indian Banks’ Association (2004); “Finance Man of the Year” Award by the Bombay Management Association in 2006.</p>	<p>Dr. S Narayan retired IAS is an eminent public administrator for nearly four decades (1965 to 2004). He was in public service in the State and Central Government in development administration. Retired as Economic Advisor to the Prime Minister of India, he has rich experience in implementation of economic policies and monitoring of the special economic agenda of the Cabinet on behalf of the Prime Minister’s Office, and is also experienced in formulation of macro-economic policy for the Government tariff and taxation policies, as well as initiatives for modernizing the capital markets.</p> <p>Dr. Narayan hold M.Sc., MBM, M Phil, Ph.D. degree.</p>

Directorships held in other public companies (excluding foreign companies)	1. Hindustan Motors Limited 2. Cineline Limited 3. HM Export Ltd	1. Vardhaman Textiles Ltd. 2. Reliance Communications Ltd 3. Jindal Steel & Power Ltd. 4. Apollo Tyres Ltd. 5. IL&FS Renewable Energy Ltd.(IREL) 6. Jindal Power Limited. 7. C & C Constructions Limited 8. Vardhman Chemtech Limited 9. Sri Kavery Medical Care (Trichy) Limited	1. Apollo Tyres Ltd. 2. Dabur India Ltd 3. Godrej Properties Ltd. 4. Seshasayee Paper and Board Ltd. 5. Aviva Life Insurance Co. India Ltd. 6. Teesta Urja Ltd.
Membership/ Chairmanship of committees of other public companies (includes only Audit Committee and Shareholders/ Investor Grievance Committee)	Audit and Shareholder Grievance Committee of Hindustan Motors Ltd	Audit Committee: 1. Reliance Communications Ltd, Chairman 2. Jindal Power Ltd. 3. Sri Kavery Medical Care (Trichy) Ltd. Shareholder Grievance Committee: Reliance Communications Ltd.	Audit Committee Member of Dabur India Ltd.
Number of shares held in the Company	65,000	65,000	Nil

Important Communiqué to Members - Green Initiative in the Corporate Governance

The Ministry of Corporate Affairs (MCA) has taken a Green Initiative in the Corporate Governance by allowing paperless compliances by the companies and has issued a Circular stating that service of all documents including Annual Reports can be sent by e-mail to its Members. Your Company believes that this is a remarkable and necessitated initiative by MCA and requests all its Members to support in this noble cause.

We therefore propose to send documents including Annual Reports in electronic form to the Members on the email address provided by them to the Company/Share Transfer Agent/the Depositories.

The Members who holds shares in physical form are requested to intimate/update the email address to the Company/Share Transfer Agent while Members holding shares in demat form can intimate/update their e-mail address to their respective Depository Participants.

COMING OF AGE

18th Birthday Edition

INDIA INFOLINE LIMITED

18th ANNUAL REPORT 2012-2013



A MODEST CELEBRATION

An 18th Birthday marks a young person's transition to adulthood - becoming independent, self sufficient and responsible. For the IIFL Group, it marks a new high not only on parameters of income and profits but also on levels of trust of customers, employees, shareholders and society at large. IIFL is happy - and humbled - upon reaching this milestone on its journey, and by the trust that over two million customers repose in it. We are also excited and elated on moving into a new orbit of growth and challenges.

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Chairman's Message Coming of Age

Dear Shareholders,

Your company celebrates its 18th birthday this year, with record all time high income and profit, which on a consolidated basis stood at ₹ 26.7 bn and ₹ 2.79 bn respectively. What is more pleasing to note is that these numbers look a lot less vulnerable with a diversified business mix and position of leadership in core businesses.

Your company has truly come of age. Wikipedia defines coming of age as a young person's transition from childhood to adulthood. An adult is a person who is independent, self sufficient and responsible; the age when the person becomes strong and mature enough, has developed the muscles and sinews to take on

Your company celebrates its 18th birthday this year, with record all time high income and profit..... these numbers look a lot less vulnerable with a diversified business mix

the world and has the education and experience to understand the responsibility of taking independent decisions. Your company has a balance sheet of over ₹ 131 bn and consolidated networth of ₹ 19.6 bn. It's loan assets are one of highest quality and capital adequacy, well above statutory threshold. It supports employment of over 24,000 people directly and thousands more indirectly. The company services its 2.1 mn customers through its network of 3,820 locations, covering literally every nook and corner of the country. It is a proud corporate citizen with cumulative contribution since inception to the exchequer of over ₹ 5 bn. It is a respectable social entity

fulfilling its social responsibilities. The company has set an example for the peer group with its financial literacy campaign that has reached to more than 30 mn people. We have an established brand, recognition, reach, relationship with customers, technology that is original, cut above the rest and proven. Above all, our people have the character, commitment and competence expected from a leader and as owner mindset that ensures that their interest are aligned with other stake-holders.

When we look back at the last 18 years of the company's existence, we have seen the best years of economic growth and the worst years of economic crisis; the booms and bubble bursts, prosperity and scams, revolutionary regulatory overhauls and geo-political upheavals and of course, the wonders of technology in every aspect of our lives. Amidst all this, in terms of excitement and thrill, we could not have asked for more. We have been riding a roller coaster of business and economic cycles. Yet, a few things have not changed. One, our undiluted focus on our core domain of financial services. Two, our values that allow no compromise whether in letter or spirit, when its about integrity, transparency and compliance. Three, our relentless pursuit of sustainability and stability in earnings by diversifying our business mix.

India is emerging, with its indomitable enterprising spirit. In the near term, political instability, inflation and global economic turbulence pose some hindrances to our country's dreams and ambitions of being amongst

global leaders and uplifting crores of Indians to superior living. If one looks ahead keeping in mind a longer term picture, India's economic juggernaut will move on and gather momentum. Our demographics with preponderance of young people, democracy and judiciary ensuring freedom of enterprise and hard working enterprising culture position us much better than many other nations to sustain rapid growth over the long term.

If Indian economy has to grow, financial services have to grow even faster. Your company has a position of pre-eminence in the sector. Over the years, we have reduced our

Our efforts have been contributing to financial inclusion of people from less privileged segments of the society. Our strength is our distribution and reach to retail customers in small towns and cities across the country

dependence on the core business of equity broking. In FY13, equities broking was a minuscule 13% of our income. Post infusion of substantial

equity capital in the group companies in 2007-08, we have systematically and in a disciplined way nurtured our NBFC business and today it has become a key propeller of sustained growth. At present, penetration of credit in India is way below its potential. Our efforts have been contributing to financial inclusion of people from less privileged segments of the society. Our strength is our distribution and reach to retail customers in small towns and cities across the country.

Our government and RBI have felt the need for a few new private banks. Your company's board has evaluated the guidelines and IIFL's case for being a fit and proper candidate. The Board, after due consideration, has decided that the company should apply for converting its NBFC into a bank. The IIFL group, with its presence across the country and trust of lakhs of retail customers, indeed has the credential to deliver financial inclusion better than most others. The NBFC's loan and financial assets have grown to over ₹ 100 bn and with a record of consistent high credit quality and strong retail base, should look at the natural progression of converting into a bank.

Your company, with rich managerial depth and strong financials, is well placed to weather headwinds, overcome challenges, seize opportunities and move into the next orbit of growth.

Nirmal Jain
Chairman

'Your Company' reference may be to India Infoline Ltd and its subsidiaries as consolidated picture is fairer representation



A small group of professionals formed an Information Services Company*

The company was formed in October 1995 with a vision to produce high quality, unbiased, independent research on the Indian economy, business, industries and corporates.

*The company was originally incorporated as Probity Research & Services Pvt. Ltd.
The name of the company was later changed to India Infoline Ltd.

1996

