

**IIFL FINANCE LIMITED**

(Formerly known as IIFL Holdings Limited)

**Public Issue of Unsecured Subordinate Redeemable NCDs**

<b>Tranche I Issue Opens</b>	Wednesday, 3 <sup>rd</sup> March, 2021
<b>Tranche I Issue Closes</b>	Tuesday, 23 <sup>rd</sup> March, 2021 *

*\*The Tranche I 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 I 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 I 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 I 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 Terms of the Issue" on page 256 of the Shelf Prospectus and page 63 of the Tranche I Prospectus.*

**Issuer Overview:**

- ▶ IIFL 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, construction and real estate finance and capital market finance; catering to both retail and corporate clients;
- ▶ Subsidiaries of the Company are IIFL Home Finance Limited and Samasta Microfinance Limited.

**Widespread Network**

As of December 31, 2020, the Company has a widespread network of 2,439 branches spanning the length and breadth of the country and the Company has a strong workforce of 18,083 employees

**Strong Growth**

As at December 31, 2020 and March 31, 2020, consolidated Assets Under Management were Rs. 42,264.10 crores and Rs. 37,951.13 crores 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 1.61% and NNPA of 0.77% as a percentage of our consolidated Loan Book as on December 31, 2020. Additionally, as on December 31, 2020, 82.58% 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\* and
- Equirus Capital Private Limited

*\* IIFL Securities Limited is deemed to be the Company's 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 Securities Limited would be involved only in marketing of the Issue.*

## Terms and Conditions in connection with the Unsecured NCDs:

<b>Issuer</b>	IIFL Finance Limited
<b>Tranche I Issue Opens</b>	Wednesday, 3rd March, 2021
<b>Tranche I Issue Closes</b>	Tuesday, 23rd March, 2021 *
<b>Registrar</b>	Link Intime India Pvt Limited
<b>Trustee</b>	Catalyst Trusteeship Limited
<b>Allotment</b>	First Come First Serve Basis
<b>Issue Price</b>	Rs. 1,000 per NCD
<b>Face Value</b>	Rs. 1,000 per NCD
<b>Minimum Application</b>	Rs. 10,000/- only
<b>Base Issue</b>	Rs. 1,000 million (Rs 100 cr)
<b>Option to Retain Oversubscription Amount</b>	Rs.9,000 million (Rs 900 cr)
<b>Tranche I Issue Size</b>	Rs. 10,000 million (Rs 1000 cr)
<b>Nature of Indebtedness</b>	Unsecured Subordinated Redeemable NCDs
<b>Credit Ratings</b>	"CRISIL AA/Negative" by CRISIL and "BWR AA+/Negative" by Brickwork
<b>Issuance mode of the instrument</b>	In dematerialised form only
<b>Listing On</b>	BSE Limited and National Stock Exchange of India Limited
<b>Depositories</b>	CDSL and NSDL
<b>Trading mode of the instrument</b>	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 Unsecured NCDs:

Series	I	II	III
Nature of Indebtedness	Unsecured	Unsecured	Unsecured
Frequency of Interest payment	Annual	Monthly	At Maturity
Face Value / Issue Price (Rs /NCD)	1,000		
Tenure (in months)	87 months	87 months	87 months
Coupon (% per annum) for all categories	10.00%	9.60%	NA
Effective Yield (% per annum) for all categories	10.00%	10.03%	10.03%
Amount(Rs /per NCD) on Maturity	1,000.00	1,000.00	2,000.00

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

## Investment Considerations:

- **Effective Yield** - 10.03% p.a. highest yield for monthly and At maturity series with tenor of 87 months. Also effective yield of 10% in case of Annual coupon series
- **Tenor and Frequency** - Tenors of 87 months available with various interest payment options like monthly, annual and at maturity
- **Liquidity**
  - Proposed to be listed on BSE 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/Negative rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.
- **Allotment on first come first serve basis** -. Allotment in the public issue of debt securities will be made on the basis of date of upload of each application into the electronic book of stock exchange. However, on the date of oversubscription, the allotment will be made to the applicants on proportionate basis. For further details refer to section titled "Issue Related Information" of the Tranche I Prospectus dated February 24, 2021

## Allocation to category of the overall issue size:

Category	Investor type	Allocation
Category I	Institutional Portion	10% of the Tranche I Issue Size
Category II	Non-Institutional Portion	10% of the Tranche I Issue Size
Category III	High Net Worth Individual Investors Portion	40% of the Tranche I Issue Size
Category IV	Retail Individual Investors Portion	40% of the Tranche I 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 UPI (for applications upto Rs. 2 lakhs) and ASBA facility only.

## 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 Series of NCDs in this Tranche

I Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than ₹200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) through UPI Mechanism.

*For further details, refer Shelf Prospectus dated February 24, 2021 and Tranche I Prospectus dated February 24, 2021 available on Company, Lead Managers and Stock Exchanges website.*

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#### **DISCLAIMER:**

IIFL Finance Limited, subject to market conditions and other considerations is proposing a public issue of unsecured subordinate redeemable non-convertible debentures (“NCDs”) and has filed the Shelf Prospectus dated February 24, 2021 and the Tranche I Prospectus dated February 24, 2021 (“**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](http://www.iifl.com), on the website of the stock exchanges at [www.nseindia.com](http://www.nseindia.com), [www.bseindia.com](http://www.bseindia.com), on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) and the respective websites of the lead managers at [www.edelweissfin.com](http://www.edelweissfin.com), [www.iiflcap.com](http://www.iiflcap.com) and [www.equirus.com](http://www.equirus.com). 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 24 of the Shelf Prospectus.

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