

**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 17th Annual General Meeting of the Members of INDIA INFOLINE LIMITED will be held on Friday, August 10, 2012 at 4.00 p.m. at Royal, Sunville Banquet, 9 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, 2012 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, 2012 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. Nilesh Vikamsey, who retires by rotation and being eligible, offers himself for re-appointment.

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. Nilesh Vikamsey, who retires by rotation at this meeting and being eligible, offers himself for re-appointment, be and is hereby re-appointed as the Director of the Company."

3. 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**

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

**"RESOLVED THAT** Mr. Sunil Kaul, 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."

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

**"RESOLVED THAT** Mr. Chandran Ratnaswami, 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, the following resolution as a Special Resolution:

**“RESOLVED THAT** in partial modification of the resolution passed by the Members of the Company at their meeting held on January 25, 2006 approving Employee Stock Option Scheme – 2005 (‘ESOP – 2005’), and pursuant to the applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) (‘the Act’), the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (hereinafter referred to as ‘SEBI Guidelines’) and other applicable regulations, if any, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall be deemed to include the Compensation Committee of the Board of Directors constituted by the Board for the purpose) to also enable administration of ESOP-2005 through the trustees of India Infoline Employee Trust (“Trust”), out of the equity shares of the Company subscribed or acquired from the market by the Trust subject to the conformity at all times with the applicable SEBI Guidelines and/or all applicable regulations.

**RESOLVED FURTHER THAT** the other terms and conditions of ESOP-2005 including maximum number of options that can be granted, vesting period, exercise price or pricing formula, exercise period and appraisal process under the ESOP-2005 shall remain unchanged and that ESOP-2005 stands suitably modified to give effect to the above modification.

**RESOLVED FURTHER THAT** for the purpose of bringing into effect, implementing and carrying out the aforesaid modification, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose, and with power on behalf of the Company to settle any issues, questions, difficulties or doubts that may arise in this regard so long as any such change is not detrimental to the rights or interests of the concerned employee(s), from time to time, in its sole and absolute discretion in conformity with the provisions of the Act, SEBI Guidelines and any other applicable laws.”

7. To consider and, if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** in partial modification of the resolution passed by the Members of the Company at their meeting held on October 20, 2007 approving Employee Stock Option Scheme – 2007 (‘ESOP – 2007’), and pursuant to

the applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) (‘the Act’), the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (hereinafter referred to as ‘SEBI Guidelines’) and other applicable regulations, if any, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall be deemed to include the Compensation Committee of the Board of Directors constituted by the Board for the purpose) to also enable administration of ESOP-2007 through the trustees of India Infoline Employee Trust (“Trust”), out of the equity shares of the Company subscribed or acquired from the market by the Trust subject to the conformity at all times with the applicable SEBI Guidelines and/or all applicable regulations.

**RESOLVED FURTHER THAT** the other terms and conditions of ESOP-2007 including maximum number of options that can be granted, vesting period, exercise price or pricing formula, exercise period and appraisal process under the ESOP-2007 shall remain unchanged and that ESOP-2007 stands suitably modified to give effect to the above modification.

**RESOLVED FURTHER THAT** for the purpose of bringing into effect, implementing and carrying out the aforesaid modification, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose, and with power on behalf of the Company to settle any issues, questions, difficulties or doubts that may arise in this regard so long as any such change is not detrimental to the rights or interests of the concerned employee(s), from time to time, in its sole and absolute discretion in conformity with the provisions of the Act, SEBI Guidelines and any other applicable laws.”

8. To consider and, if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** in partial modification of the resolution passed by the Members of the Company at their meeting held on December 15, 2008 approving Employee Stock Option Scheme – 2008 (‘ESOP – 2008’), and pursuant to the applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) (‘the Act’), the Securities and Exchange Board of India (Employee Stock

Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (hereinafter referred to as 'SEBI Guidelines') and other applicable regulations, if any, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Compensation Committee of the Board of Directors constituted by the Board for the purpose) to also enable administration of ESOP-2008 through the trustees of India Infoline Employee Trust ("Trust") , out of the equity shares of the Company subscribed or acquired from the market by the Trust subject to the conformity at all times with the applicable SEBI Guidelines and/or all applicable regulations.

**RESOLVED FURTHER THAT** the other terms and conditions of ESOP-2008 including maximum number of options that can be granted, vesting period, exercise price or pricing formula, exercise period and appraisal process under the ESOP-2008 shall remain unchanged and that ESOP-2008 stands suitably modified to give effect to the

above modification.

**RESOLVED FURTHER THAT** for the purpose of bringing into effect, implementing and carrying out the aforesaid modification, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose, and with power on behalf of the Company to settle any issues, questions, difficulties or doubts that may arise in this regard so long as any such change is not detrimental to the rights or interests of the concerned employee(s), from time to time, in its sole and absolute discretion in conformity with the provisions of the Act. SEBI Guidelines and any other applicable laws."

Dated: May 15, 2012  
IIFL House, Sun Infotech Park,  
Road No. 16V, Plot No.B-23,  
Thane Industrial Area,  
Wagle Estate, Thane – 400604

By **Order of the Board**

**Sunil Lotke**  
*Company Secretary*

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**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.
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 August 03, 2012 to

August 10, 2012 (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 Nos. 4 to 8 of the accompanying Notice dated May 15, 2012.

#### ITEM NO. 4

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, appointed Mr. Sunil Kaul as an Additional Director of the Company with effect from November 5, 2011. In terms of the provisions of Section 260 of the Act, Mr. Sunil Kaul holds office upto the date of this Annual General Meeting.

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

Except Mr. Sunil Kaul, none of the other Directors of the Company is, in any way, concerned or interested in the resolution set out at item no.4 of the notice.

Your Directors therefore commend the said resolution for your approval.

#### 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, appointed Mr. Chandran Ratnaswami as an Additional Director of the Company with effect from May 15, 2012. In terms of the provisions of Section 260 of the Act, Mr. Chandran Ratnaswami holds office upto the date of this Annual General Meeting.

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

Save and except Mr. Chandran Ratnaswami, 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, 7 & 8:

As you are aware, the Company is engaged in the financial services industry and the success of the Company's objectives are largely determined by the quality of its work force and their commitment to the Company objectives. It is therefore, necessary to not only provide good employment opportunities across the organisation but to also additionally motivate and offer incentives to them by aligning their interest with the interest of the organisation in the long run.

In this regard the Members of the Company at their meeting held on January 25, 2006, October 20, 2007 and December 15, 2008 had approved the Employee Stock Option Scheme 2005, 2007 and 2008 (the 'ESOP Schemes') respectively. Under the said ESOP Schemes, it was proposed to undertake issue and allotment of equity shares to eligible employees as defined under the ESOP Schemes.

The Company has in place India Infoline Employee Trust for the benefit of employees. In this regard, the Company would also like to enable above ESOP Schemes to include ESOP grants administered through India Infoline Employee Trust.

Accordingly, it is proposed to seek approval of the Members to modify the existing ESOP Schemes to enable administration of ESOP Schemes through the trustees of India Infoline Employee Trust. Subject to the limited change proposed in the Resolution in the Notice at item no 6 to 8, the other terms and conditions of ESOP including maximum number of options that can be granted, vesting period, exercise price or pricing formula, exercise period and appraisal process under the ESOP Schemes shall remain unchanged and that ESOP Schemes stands suitably modified to give effect to the modifications proposed in item no. 6, 7 & 8.

The documents referred in item no. 6, 7 and 8 will be available for inspection at the registered office of the Company.

Your Directors recommend the resolution for your approval.

None of the Directors of the Company is, in any way, concerned or interested in the resolution except to the extent of any options granted to them under the said ESOP Schemes.

Dated: May 15, 2012  
IIFL House, Sun Infotech Park,  
Road No. 16V, Plot No.B-23,  
Thane Industrial Area,  
Wagle Estate, Thane - 400604

By **Order of the Board**

**Sunil Lotke**  
Company Secretary

## Details of Directors seeking re-appointment at the Annual General Meeting (Item no. 2, 4 & 5)

Name of the Directors	Mr. Nilesh Vikamsey	Mr. Sunil Kaul	Mr. Chandran Ratanaswami
Date of birth	August 16, 1964	March 25, 1960	May 11, 1949
Nationality	Indian	US	Canadian
Date of appointment on the Board	February 11, 2005	November 5, 2011	May 15, 2012
Qualifications	CA and Diploma in Information System Audit	Postgraduate Degree in Management from the Indian Institute of Management, Bangalore and a Bachelor's Degree in Technology from the Indian Institute of Technology, Bombay.	Bachelor's degree in Civil Engineering from Indian Institute of Technology Madras, India and an MBA from the University of Toronto, Canada
Brief resume and expertise in specific functional area	<p>Mr. Nilesh Vikamsey – Board Member since February 2005 - is a practicing Chartered Accountant for 27 years and Senior Partner at M/s Khimji Kunverji &amp; Co., Chartered Accountants, a member firm of HLB International, a worldwide organisation of professional accounting firms and business advisers, ranked amongst the top 12 accounting groups globally.</p> <p>Mr. Vikamsey is an elected member of the Central Council of Institute of Chartered Accountant of India (ICAI). Mr. Vikamsey is a member of SEBI Committee on Disclosures and Accounting Standards (SCODA), IRDA-Working Group for developing Indian Specific ACORD Standards for the Indian Insurance Market, Member of LLP Committee of Ministry of Corporate Affairs (MCA). He is also Chairman/member of various committees constituted ICAI. Mr. Vikamsey is also a Director of The Federal Bank Ltd., SBI Life Insurance Company Limited, India Infoline Finance Limited, Rodium Realty Limited, ICAI Accounting Research Foundation and few Private Limited companies and Trustee in Sayagyi U Ba Khin Memorial Trust (Vipassana International Academy) and few trusts focusing on education.</p>	<p>Sunil Kaul is a Managing Director for Carlyle's Asia Buyout fund focused on investments in the financial services sector across Asia. He is currently based out of Singapore.</p> <p>Mr. Kaul has over 20 years' experience in corporate and consumer banking. Prior to joining Carlyle, Mr. Kaul served as the president of Citibank Japan and Chairman of Citi's credit card and consumer finance companies in Japan. He was also a member of Citi's Global Management Committee and Global Consumer Planning Group. He has also held senior positions in Citi in the Asia Pacific region and in New York. He has also worked as the Global Cash Business Management Head for ABN Amro, based out of Holland.</p> <p>Mr. Kaul also serves as a director on the board of TC Bank and is a member of its Risk and Executive Companies. He is also a member of the Asia Pacific Infrastructure Partnership.</p>	<p>Mr. Chandran Ratnaswami is the Managing Director of Hamblin Watsa Investment Counsel Limited, a wholly- owned investment management company of Fairfax Financial Holdings Limited, headquartered in Canada.</p> <p>Mr. Chandran holds a Bachelor's degree in Civil Engineering from I.I.T Madras, India and an MBA from the University of Toronto, Canada. Mr. Chandran serves on the Boards of ICICI Lombard General Insurance Company Limited and Fairbridge Capital in India, Ridley Inc. in the United States and Zoomermedia Limited in Toronto, Canada. He is also the Chairman of the Board of Trustees of Lansing United Church in Toronto, Canada.</p>

<b>Name of the Directors</b>	<b>Mr. Nilesh Vikamsey</b>	<b>Mr. Sunil Kaul</b>	<b>Mr. Chandran Ratanaswami</b>
Directorships held in other public companies (excluding foreign companies)	India Infoline Finance Limited Rodium Realty Limited The Federal Bank Limited SBI Life Insurance Company Limited	Nil	ICICI Lombard General Insurance Company Limited
Membership/ Chairmanship of committees of other public companies (includes only Audit Committee and Shareholders/ Investor Grievance Committee)	Chairman of Audit Committee of India Infoline Finance Limited	Nil	Nil
Number of shares held in the Company	48,750	Nil	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.

Members are requested to further note that they will be entitled to be furnished, free of cost, the physical copy of the documents sent by e-mail, upon receipt of a requisition from them, any time, as a Member of the Company.

**India Infoline Limited**

Registered Office: IIFL House, Sun Infotech Park, Road No. 16V, Plot No.B-23  
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**ATTENDANCE SLIP**

Please fill in Attendance Slip and Hand it over at The Entrance of The Meeting Hall.

Joint shareholders may obtain additional attendance slip on request.

NAME AND ADDRESS OF THE SHAREHOLDER:.....

.....

Master Folio No.:..... No. of Shares held: .....

I hereby record my presence at the 17th ANNUAL GENERAL MEETING of the Company held on Friday, August 10, 2012 at  
4.00 p.m. at Royal, Sunville Banquet, 9, Dr. Annie Besant Road, Worli, Mumbai 400018

SIGNATURE OF THE SHAREHOLDER OR PROXY\*: .....

\*Strike out whichever is not applicable



**India Infoline Limited**

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

**PROXY FORM**

Master Folio No. .... No. of shares held: .....

I / We .....of ..... being a member/members of INDIA  
INFOLINE LIMITED hereby appoint .....

of .....or failing him .....of

..... as my/our proxy to vote for me/us and on my/our behalf at the 17th Annual  
General Meeting to be held on Friday, August 10, 2012 at 4.00 p.m. at Royal, Sunville Banquet, 9, Dr. Annie Besant Road, Worli,  
Mumbai 400018 or at any adjournment thereof.

Affix  
Revenue  
Stamp

Signed this ..... day of ..... 2012

**NOTE:** The Proxy Form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the  
time of holding the aforesaid meeting. The Proxy need not be a member of the Company.



