

OFFER DOCUMENT

INDUSIND INTERNATIONAL HOLDINGS LIMITED

A company, incorporated on October 4, 1993, under the laws of Mauritius and having its registered office at Level 3, Ebene House, Hotel Avenue, 33 Cybercity, Ebene, 72201, Mauritius

An offer on rights issue basis of up to 5,856,860 (Five Million Eight Hundred Fifty Six Thousand Eight Hundred and Sixty) ordinary equity shares of IndusInd International Holdings Limited (the "Company") of par value USD 1.00 (United States Dollar One), with a Tranche 2 Put Option (as hereinafter defined) ("Tranche 2 New Ordinary Equity Shares") to the Eligible Shareholders (as hereinafter defined) of the Company on a rights issue basis (the "Issue")

**Issue Price:** Issue price for each Tranche 2 New Ordinary Equity Share is USD 35 (United States Dollars Thirty Five), which includes face value of USD 1.00 (United States Dollar one).

1 (one) Tranche 2 New Ordinary Equity Share will be available for subscription for every 5.14 (five point one four) Ordinary Shares of the Company held on August 15, 2018 by an Eligible Shareholder (the "Record Date").

The Tranche 2 New Ordinary Equity Shares will be issued by the Company on a rights issue basis. In the event the Ordinary Shares of the Company are not listed on any stock exchange on or before September 06, 2019, then the Tranche 2 New Ordinary Equity Shares shall, at the option of the holder of such Tranche 2 New Ordinary Equity Shares ("**Tranche 2 New Ordinary Equity Shareholders**"), be repurchased by the Company at a price of USD 38.50 (United States Dollars Thirty Eight Point Five) per Tranche 2 New Ordinary Equity Share being a price not greater than an amount equivalent to 110% of the Issue Price subject to and in accordance with the terms described herein (the "**Tranche 2 Put Option**"). For more details on the Tranche 2 Put Option, please refer to page 9.

The issue of the Tranche 2 New Ordinary Equity Shares on such terms and conditions and with such rights as determined by the Board of Directors, was authorised by resolutions of the Board of Directors of the Company passed on September 3, 2016 and August 20, 2018 basis the recommendations made by the Rights Issue Committee *vide* its resolution of August 17, 2018.

**Investing in equity and related securities involves a high degree of risk. Investors are advised to read the risk factors beginning on page 54 carefully before taking an investment decision in the Issue. For taking an investment decision, Investors must rely on their own evaluation of the Company and the Issue including the risks involved.**

The Tranche 2 New Ordinary Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Company is an "**investment company**" (as defined in the U.S. Investment Company Act of 1940, as amended, and the related rules (the "**Investment Company Act**")) and has not been and will not be registered under the Investment Company Act. The Company is relying on the exemption from the registration requirements of the Investment Company Act provided by Section 3(c)(1) of that Act. The Tranche 2 New Ordinary Equity Shares are being offered and sold only to persons outside the United States who are non-U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) in reliance on Regulation S. For a description of selling restrictions in certain other jurisdictions, see "**Selling Restrictions**" on page 63. The Tranche 2 New Ordinary Equity Shares are transferable only in accordance with the restrictions described in "**Transfer Restrictions**" on page 71 and subject to the restrictions on transfer under the Constitution and applicable law.

You shall only be permitted to purchase/ invest in the Tranche 2 New Ordinary Equity Shares to the extent permissible under applicable law and subject to Maximum Subscription. You are advised to exercise caution in relation to responding to the offer to subscribe to the Tranche 2 New Ordinary Equity Shares. You are also advised to consult, under strict confidentiality obligations, with your independent financial, legal and tax advisers on your eligibility to participate in this Issue under the relevant laws that may be applicable to you and, therefore, you are liable for any of your financial, legal and tax consequences which may arise from your subscription of the Tranche 2 New Ordinary Equity Shares.

DETAILS OF THE COMPANY CONTACT PERSON FOR THE PURPOSE OF THIS ISSUE

Name of the Management Company: JurisTax Limited  
Name of the Concerned Person: Mr. Darsen Rungien  
Address: Level 3, Ebene House, Hotel Avenue, 33 Cybercity, Ebene 72201, Mauritius  
Phone Number: (+230) 465 5526 Fax: (+230) 468 1886 Email: lrungien@juristax.com

Issue Programme

Issue Opening Date: August 25, 2018	Last Date of receiving Request for Split Application: September 02, 2018	Issue Closing Date: September 11, 2018
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<sup>1</sup> **Note to Shareholders:** Merely receiving this Offer Document as a Shareholder does not imply that you are eligible to apply for the Tranche 2 New Ordinary Equity Shares or that you are an Eligible Shareholder

## **IF YOU ARE A SHAREHOLDER OF INDUSIND INTERNATIONAL HOLDINGS LIMITED, THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

This Offer Document is issued by the Company, a public limited company incorporated and domiciled in Mauritius on October 4, 1993 under the Companies Act, 1984 and regulated by the Companies Act, 2001.

This document is neither an invitation, nor a prospectus, nor a statement in lieu of a prospectus for the public in Mauritius or elsewhere to subscribe to shares in the Company.

For a full appreciation of this Offer Document, it should be read in its entirety. If you are in any doubt about the action you should take, you should consult, under strict confidentiality obligations, your legal advisor, financial advisor, your investment dealer or any other independent advisor immediately.

This Offer Document has not been registered with the FSC. This Offer Document is not an invitation to the public to subscribe for securities in the Company. This Offer Document does not constitute an offer of, or an invitation by or on behalf of the Company or its affiliates to subscribe for or purchase, any of the securities to any person to whom, and/or in any jurisdiction where, this would be unlawful. For details, see the chapter titled **"Selling Restrictions"** beginning on page 63.

Shareholders should not construe anything in this Offer Document as legal, business, accounting, investment or tax advice. The Legal Advisors listed on page 75 of this Offer Document are the legal advisors of the Issuer, and do not provide advice to any person other than the Issuer. Each Shareholder should consult its own advisers as needed to make its investment decision and determine whether it is legally able to purchase/subscribe to the Tranche 2 New Ordinary Equity Shares under applicable laws or regulations.

No person is authorised to give any information or to make any representation not contained in this Offer Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Company. The delivery of this Offer Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

This Offer Document has been prepared by the Company solely for use in connection with the offer and issue of the Tranche 2 New Ordinary Equity Shares which the Company proposes and for no other purpose. This Offer Document is personal to each Shareholder and does not constitute an offer to any person or to the public generally to subscribe for or otherwise acquire Tranche 2 New Ordinary Equity Shares. Distribution of this Offer Document to any person other than a Shareholder and any person retained to advise such Shareholder with respect to its subscription or purchase is unauthorised (and disclosure of this Offer Document to such adviser is restricted solely for the purpose of enabling such adviser to advise the Shareholder in relation to this Offer Document), and any disclosure or any of its contents, without the Company's prior written consent, is prohibited. Merely receiving this Offer Document as a Shareholder does not imply that you are eligible to apply for the Tranche 2 New Ordinary Equity Shares or that you are an Eligible Shareholder. Each Shareholder, by accepting delivery of this Offer Document, agrees to the foregoing and agrees not to redistribute or reproduce (including but not limited to, electronically) this Offer Document or any documents referred to in this Offer Document, whether in whole or in part.

The Tranche 2 New Ordinary Equity Shares have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction. No authority has passed on or endorsed the merits of the proposed Rights Issue or the accuracy or adequacy of this Offer Document. Any representation to the contrary is a criminal offence in certain jurisdictions.

This Offer Document will not be filed or registered with any regulatory or governmental authority outside of Mauritius. The FSC takes no responsibility, nor gives consent to the Offer Document.

## **FORWARD-LOOKING STATEMENTS**

Certain statements contained in this Offer Document that are not statements of historical fact may be construed as “forward-looking statements”. All forward-looking statements (if any) are subject to risks, uncertainties and assumptions about the Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Factors that could cause actual results, performance or achievements of the Company to differ materially include, but are not limited to, those discussed under the section titled “Risk Factors” beginning on page 54. The Company assumes no obligations to update the forward-looking statements (if any) contained herein to reflect actual results, changes in assumptions or changes in factors affecting these forward-looking statements.

## DEFINITIONS

Unless the context otherwise indicates, requires or implies, the following terms shall have the following meaning in this Offer Document. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

### General Definitions

Term	Description
Act	Means the law governing companies and corporations in Mauritius, being the Companies Act, 2001.
Auditor	Means the auditor of the Company as appointed in accordance with the provisions of the Act, at the relevant point in time
Board or Board of Directors	Means the board of Directors of IndusInd International Holdings Limited as defined in the Constitution.
Company, IIHL, us, we or the Issuer	Means IndusInd International Holdings Limited
Constitution	Means the Memorandum and Articles of Association of the Company dated 31 August 2017
Corporate Office	Means the corporate office of the Company situated at Office 1A, Ground Level, North Building, Beau Plan Business Park, Beau Plan, Pamplemousses 21001, Mauritius
Directors	Means the directors of the Company as defined in the Constitution
Financial Year/Fiscal/FY	Means the period of 12 months ending March 31 of that particular year
FSC	Means Financial Services Commission of Mauritius
IFRS	Means International Financial Reporting Standards
Registered Office	Means the registered office of the Company situated at Level 3, Ebene House, Hotel Avenue, 33 Cybercity, Ebene, 72201, Mauritius

### Issue Related Definitions

Term	Description
Accredited Investor	Means an "accredited investor" as defined in Rule 501(a) under the Securities Act
Allot or Allotment or Allotted	Means allotment of Tranche 2 New Ordinary Equity Shares pursuant to the Issue by the Board or any committee constituted by the Board
Allotment Date	Means the date on which Allotment has been made by the Company, which date shall be on or before September 12, 2018 or, in the event of unavoidable delays, such other date as the Board may determine
Allottee	Means an Eligible Shareholder to whom the Tranche 2 New Ordinary Equity Shares have been Allotted
Applicant	Means any Eligible Shareholder to whom the Offer Document is provided directly by the Company or such Person's Renounee, to the extent permitted, and who is eligible, without the Company having to undertake any other action, under the provisions of applicable law and the Offer Document to apply and subscribe to the Tranche 2 New Ordinary Equity Shares of the Company
Application Form	Means the relevant Application Form to be used for the purpose of applying for the subscription of Tranche 2 New Ordinary Equity Shares under this Issue referred to in the section titled "Procedure for the Rights Issue" beginning on page 15 of this Offer Document
Application Money	Means aggregate amount payable by the Eligible Shareholders in respect of the Tranche 2 New Ordinary Equity Shares, applied for in the Issue at the Issue Price
Eligible Shareholders	Means the Shareholders as at the Record Date and who are eligible under the provisions of applicable law and the Offer Document (as the case may be) to apply and subscribe to the Tranche 2 New Ordinary Equity Shares of the Company
Encumbrance	Means (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, or other security interest securing any obligation of any Person, option, escrow, commitment, restriction or limitation of any nature, or any other agreement or arrangement having a similar; (ii) any conditional sale, voting agreement, lock-in, pre-emption right, right of first refusal, right of first offer, non-disposal undertaking or transfer restriction; or (iii) any agreement, arrangement or obligation to create any of the foregoing

Term	Description
Investor or Tranche 2 New Ordinary Equity Shareholder	Means the holder of Tranche 2 New Ordinary Equity Share(s)
Issue Closing Date	Means September 11, 2018
Issue Opening Date	Means August 25, 2018
Issue Price	Means for each Tranche 2 New Ordinary Equity Share, USD 35 (United States Dollars Thirty Five) and includes face value of USD 1.00 (United States Dollar one)
Issue Proceeds	Means the gross proceeds of the Issue received by the Company pursuant to subscription of the Tranche 2 New Ordinary Equity Shares under this Issue
Maximum Subscription	Means the maximum number of Tranche 2 New Ordinary Equity Shares which an Eligible Shareholder is entitled to subscribe such that the maximum shareholding of the Eligible Shareholder in the Company shall at all times not be in excess of 10.00% (ten percent) of the total post-issue stated capital of the Company
Net Proceeds	Means the Issue Proceeds <i>less</i> all expenses incurred by the Company for the Issue
New Ordinary Equity Shares	Means the Ordinary Shares of the Company issued pursuant to the Tranche 1 Rights Issue
Offer Document	Means this offer document for the Issue prepared and approved by the Board
Ordinary Share(s)	Means the ordinary shares of the Company having a face value of USD 1.00 (United States Dollar One) each
Person	Means any individual or other entity, whether a corporation, firm, company, joint venture, trust, association, organization, partnership or proprietorship
Record Date	Means August 15, 2018
Regulation S	Means Regulation S under the Securities Act
Renounee	Means Persons who are Eligible Shareholders and whose details have been set out in the Application Form as 'Renounee' and who have completely filled, executed and submitted the relevant Application Form to the Company
Rights Issue Committee	Means the committee of the Board, namely, the Rights Issue Committee, constituted by the Board <i>vide</i> its resolution of September 3, 2016 and as reconstituted from time to time
Securities Act	Means the U.S. Securities Act of 1933, as amended
Selling Restrictions	Means the selling restrictions appearing in the chapter titled 'Selling Restrictions' beginning on page 63 of this Offer Document
Shareholder	Means a member of the Company being the holder of Ordinary Shares
Subscription Bank Account	Means the bank account of the Company as identified in section "Q8. Methods of Payment" on page 19
SWIFT Declaration Form	Means the declaration form to be duly submitted by the Applicant in the format attached to the Application Form
Tranche 1 Rights Issue	Means the rights issue of up to 6,017,896 (Six Million Seventeen Thousand Eight Hundred and Ninety Six) Ordinary Shares made pursuant to the offer document dated October 20, 2016
Tranche 2 New Ordinary Equity Share(s)	Means the Ordinary Shares of the Company with the Tranche 2 Put Option, issued by the Company in accordance with the terms of the Issue
Tranche 2 Put Option	Means the option made available to the Tranche 2 New Ordinary Equity Shareholders, only in the event the Ordinary Shares of the Company are not listed on any stock exchange on or before September 06, 2019, to require the Company to repurchase such Tranche 2 New Ordinary Equity Shares at the Tranche 2 Put Option Exercise Price and subject to and in accordance with the terms described herein. Such repurchase shall occur on or before December 06, 2019 by 2.00 p.m. Mauritius time, at the Tranche 2 Put Option Exercise Price and at any time after receipt of the Tranche 2 Put Option Exercise Notice by the Company during the Tranche 2 Put Option Exercise Period, as may be decided by the Company
Tranche 2 Put Option Exercise Notice	Means the notice issued by a Tranche 2 New Ordinary Equity Shareholder in the form annexed hereto as Annexure A exercising its Tranche 2 Put Option pursuant to this Issue and received by the Company within the Tranche 2 Put Option Exercise Period

Term	Description
Tranche 2 Put Option Exercise Period	Means the period beginning on September 07, 2019 and ending on October 06, 2019 by 2.00 p.m. Mauritius time
Tranche 2 Put Option Exercise Price	Means USD 38.50 (United States Dollars Thirty Eight Point Five), being the price to be paid by the Company per Tranche 2 New Ordinary Equity Share pursuant to a validly exercised Tranche 2 Put Option being an amount equivalent to 110% of the Issue Price as illustrated below <i>Illustration</i> : Tranche 2 Put Option Exercise Price = $(110/100) \times \text{Issue Price}$
Tranche 2 Rights Issue or Issue	Means the offer of up to 5,856,860 (Five Million Eight Hundred Fifty Six Thousand Eight Hundred and Sixty) Tranche 2 New Ordinary Equity Shares of the Company of par value USD 1.00 (United States Dollar one) each, at the Issue Price, to the Eligible Shareholders on the Record Date, in accordance with the terms of the Offer Document
USD	Means United States dollars
U.S. person	Means a U.S. person as defined in Regulation S
United States/U.S.	Means the United States of America

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## DECLARATION BY DIRECTORS

The Director(s) whose name(s) appear herein, accept responsibility, to the extent required under law, for the accuracy of the information contained in the Offer Document and confirm, having made all reasonable enquiries that, to their knowledge and belief, there are no facts, the omission of which, would make any statement herein false.

The Director(s) confirm that the financial information in relation to the financial year ended March 31, 2017 included in the Offer Document, has been extracted from the audited and consolidated annual report of the Company for the year ended March 31, 2017. The financial information in relation to the financial year ended March 31, 2018 is based on the audited financial statements of the Company, which are subject to the consideration and adoption by the shareholders of the Company at the forth coming Annual General Meeting of the Company. The Director(s) accept responsibility for the reproduction of the said financial information herein.

Furthermore, the Director(s) declare that, save and except for "*Material developments since March 31, 2018*" disclosed in the chapter titled "*Other Considerations*" beginning on page 62, to their knowledge and belief and after having made reasonable enquiries, in relation to the period after March 31, 2018, the date to which the last audited financial statements of the Company have been prepared, to the date of this Offer Document:

- There has been no material adverse change in the financial position of the Company and its subsidiaries;
- They do not contemplate any change in the nature of the business of the Company; and
- The working capital available to the Company and its subsidiaries is sufficient for at least twelve months from the date of the issue of this Offer Document.

For a full appreciation of this Offer Document, it should be read in its entirety. If you are in any doubt about the action you should consult your legal advisor, financial advisor, your investment dealer or any other independent advisor immediately.

Approved by the Board of IndusInd International Holdings Limited and signed on its behalf by:

**Mr. Mayank Malik**  
**Director**



## SUMMARY OF THE TERMS OF THE RIGHTS ISSUE

<b>Company / Issuer</b>	IndusInd International Holdings Limited, a public company incorporated in Mauritius with limited liability.
<b>Issue</b>	Issue of up to 5,856,860 (Five Million Eight Hundred Fifty Six Thousand Eight Hundred and Sixty) Tranche 2 New Ordinary Equity Shares at the Issue Price to the Eligible Shareholders Subject to Maximum Subscription, an Eligible Shareholder will be entitled to subscribe to 1 (one) Tranche 2 New Ordinary Equity Shares for every 5.14 (five point one four) Ordinary Shares registered in its name on the Record Date. The Rights Entitlement of the number of the Tranche 2 New Ordinary Equity Shares will be rounded up to the nearest integer representing a multiple of 10 (ten) for each Eligible Shareholder.
<b>Issue Price</b>	USD 35 (United States Dollars Thirty Five) for each Tranche 2 New Ordinary Equity Share and which includes face value of USD 1.00 (United States Dollar one).
<b>Issue Opening Date</b>	August 25, 2018
<b>Issue Closing Date</b>	September 11, 2018
<b>Allotment Date</b>	On or before September 12, 2018, or, in the event of unavoidable delays, such other date as the Board of Directors may determine.
<b>Issue Size</b>	Up to 5,856,860 (Five Million Eight Hundred Fifty Six Thousand Eight Hundred and Sixty) Tranche 2 New Ordinary Equity Shares.
<b>Status of the Tranche 2 New Ordinary Equity Shares</b>	The Tranche 2 New Ordinary Equity Shares shall be of the same class and shall rank <i>pari passu</i> with the Ordinary Shares of the Company and accordingly shall have the rights set forth in the Constitution generally for all Ordinary Shares. In addition, the Tranche 2 New Ordinary Equity Shares shall also have a Tranche 2 Put Option which shall only be available to the Tranche 2 New Ordinary Equity Shareholders in relation to the Tranche 2 New Ordinary Equity Shares.
<b>Rating of the Tranche 2 New Ordinary Equity Shares</b>	The Tranche 2 New Ordinary Equity Shares are not, and are not expected to be, rated by any rating agency.
<b>Tranche 2 Put Option</b>	In the event the Ordinary Shares of the Company are not listed on any stock exchange on or before September 06, 2019, then the Tranche 2 New Ordinary Equity Shares shall, at the option of the Tranche 2 New Ordinary Equity Shareholders, be repurchased by the Company at the Tranche 2 Put Option Exercise Price and subject to and in accordance with the terms described herein. Such repurchase shall occur on or before December 06, 2019 by 2.00 p.m. Mauritius time, at the Tranche 2 Put Option Exercise Price and at any time after receipt of the Tranche 2 Put Option Exercise Notice by the Company during the Tranche 2 Put Option Exercise Period as may be decided by the Company.
<b>Tranche 2 Put Option Exercise Period</b>	Subject to the provisions of the applicable laws, the Tranche 2 Put Option shall only be available and may only be exercised by the Tranche 2 New Ordinary Equity Shareholders by way of submitting a duly filled and executed Tranche 2 Put Option Exercise Notice, in the form annexed hereto as Annexure A, and such Tranche 2 Put Option Exercise Notice is received by the Company within the Tranche 2 Put Option Exercise Period. Upon the listing of the Ordinary Shares on a stock exchange or the expiry of the Tranche 2 Put Option Exercise Period whichever is earlier, the Tranche 2 Put Option shall fall and cease to exist.
<b>Certain Conditions of Tranche 2 Put Option</b>	The Tranche 2 Put Option shall only be available and exercised by a Tranche 2 New Ordinary Equity Shareholder and shall be considered to be valid in the event all of the following conditions and other terms of this Offer Document are complied with: <ol style="list-style-type: none"> <li>a. The duly filled in and executed Tranche 2 Put Option Exercise Notice in the form annexed hereto as Annexure A is received by the Company within the Tranche 2 Put Option Exercise Period;</li> <li>b. The Ordinary Shares of the Company have not been listed on or before September 06, 2019;</li> <li>c. The Tranche 2 Put Option Exercise Notice is duly filled and executed by the Tranche 2 New Ordinary Equity Shareholder in person or its authorized signatory as reflected in the records of the Company;</li> <li>d. The Tranche 2 Put Option Exercise Notice is only with respect to the Tranche 2 New Ordinary Equity Shares;</li> <li>e. The Tranche 2 New Ordinary Equity Shareholder is not in breach of any of the provisions of the Offer Document or applicable law or the Constitution (as the case may be); and</li> </ol>

	<p>f. There is no prohibition or restriction imposed on the enforceability or validity of the Tranche 2 Put Option under applicable law or the Constitution (as the case may be).</p> <p>It is being clarified that in relation to the Tranche 2 New Ordinary Equity Shares allotted to the Tranche 2 New Ordinary Equity Shareholders pursuant to this Issue, only the Tranche 2 New Ordinary Equity Shareholders shall be entitled to the Tranche 2 Put Option and not the put option which was made available under the Tranche 1 Rights Issue. It is being further clarified that the put option made available under the Tranche 1 Rights Issue shall continue in relation to the Ordinary Shares issued under the Tranche 1 Rights Issue, subject to the terms of the offer document dated October 20, 2016 issued by the Company in relation to the Tranche 1 Rights Issue.</p>
<b>Tranche 2 Put Option Exercise Price</b>	<p>USD 38.50 (United States Dollars Thirty Eight and Fifty Cents), being the price to be paid by the Company per Tranche 2 New Ordinary Equity Share for such Tranche 2 New Ordinary Equity Shares which are bought back by the Company, pursuant to a validly exercised Tranche 2 Put Option being an amount equivalent to 110% of the Issue Price.</p> <p><i>Illustration:</i></p> <p>Tranche 2 Put Option Exercise Price = <math>(110/100) \times</math> Issue Price  Tranche 2 Put Option Exercise Price = <math>(110/100) \times</math> USD 35  Tranche 2 Put Option Exercise Price = USD 38.5</p> <p>The Company shall pay the total amount calculated at the Tranche 2 Put Option Exercise Price in respect of the validly exercised Tranche 2 Put Options at any time after receipt of the Tranche 2 Put Option Exercise Notice by the Company during the Tranche Put Option Exercise Period, on or before December 06, 2019 by 2.00 p.m. Mauritius time.</p>
<b>Form and denomination of the Tranche 2 New Ordinary Equity Shares</b>	<p>The Tranche 2 New Ordinary Equity Shares will be issued in the denomination/face value of USD 1.00 (United States Dollar one) each. The Tranche 2 New Ordinary Equity Shares shall be issued in physical form only.</p>
<b>Governing Law</b>	<p>Mauritian Law</p>
<b>Use of Proceeds</b>	<p>The Issue Proceeds are expected to be up to USD 204,990,100 (United States Dollars Two Hundred Four Million Nine Hundred Ninety Thousand One Hundred) and the Net Proceeds i.e. after deducting the issue expenses of approximately USD 550,000 (United States Dollars Five Hundred and Fifty Thousand) from the Issue Proceeds, is expected to be approximately USD 204,440,100 (United States Dollars Two Hundred Four Million Four Hundred and Forty Thousand One Hundred). Subject to compliance with applicable laws and regulations, the Company intends to use the Net Proceeds towards general business purposes as provided in the Constitution and as may be approved by the Board from time to time.</p>
<b>Underwriter</b>	<p>The Issue will not be underwritten. The Issue is not conditional upon any minimum acceptance of the offer.</p>
<b>Renunciation of Rights</b>	<p>Subject to the provisions of paragraph "Q5 – Renunciation of Rights" contained in the chapter titled "Particulars of the Rights Issue", the Eligible Shareholders are entitled to renounce their rights in the Rights Issue only in favour of any other Eligible Shareholder subject to compliance with all applicable laws and the approval of the Board and in accordance with the provisions of the Offer Document. It being clarified that an Eligible Shareholder shall be entitled to renounce its rights under the Rights Issue, only to the extent that he himself is entitled to subscribe to Tranche 2 New Ordinary Equity Shares under the Rights Issue.</p>
<b>Excess entitlements</b>	<p>Subject to the Maximum Subscription, Eligible Shareholders who subscribe for all Tranche 2 New Ordinary Equity Shares to which they are entitled under the Rights Issue may also apply, on the same terms and conditions, for Tranche 2 New Ordinary Equity Shares in excess of their entitlement provided that issuance and allotment of any Tranche 2 New Ordinary Equity Shares pursuant to any such application for excess entitlement shall be at the sole discretion of the Board.</p>

<b>Maximum Subscription</b>	<p>The maximum number of Tranche 2 New Ordinary Equity Shares which the Eligible Shareholder may be entitled to subscribe to shall, at all times, be such that the maximum shareholding of the Eligible Shareholder shall not be in excess of 10.00% (ten percent) of the total post-issue stated capital of the Company.</p> <p>The right to subscribe to the Tranche 2 New Ordinary Equity Shares by an Eligible Shareholder shall be subject to the Maximum Subscription. A Shareholder is not considered to be an Eligible Shareholder, in the event that after subscription of the Tranche 2 New Ordinary Equity Shares the total shareholding of the Shareholder is more than 10% (ten percent) in the total post-issue stated capital of the Company.</p>
<b>Payment terms</b>	<p>The Application Money shall be paid by the Applicant in a manner that it is received by the Company not later than 2.00 pm Mauritius Time on the Issue Closing Date directly into the Subscription Bank Account of the Company, the details whereof have been provided in chapter titled "<i>Particulars of the Rights Issue</i>" beginning on page 12 of the Offer Document.</p>

For further details as regards the terms of the Issue, please also refer to the section titled '**Particulars of the Rights Issue**' beginning on page 12 of the Offer Document.

## PARTICULARS OF THE RIGHTS ISSUE

The Tranche 2 New Ordinary Equity Shares proposed to be issued under the Issue, are subject to the terms and conditions contained in the Offer Document, the Act, the Selling Restrictions mentioned in the Offer Document, and the provisions of applicable law. All rights/obligations of the Eligible Shareholders in relation to applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well. The Renouncee(s) shall not have a right to further renounce the Rights Entitlement.

### A. Authority for the Issue

The Issue has been authorised by a resolution of the Board of Directors of the Company passed on September 3, 2016 and August 20, 2018 basis the recommendations made by the Rights Issue Committee *vide* its resolution of August 17, 2018 and pursuant to the provisions of the Constitution of the Company and the Act. The Rights Issue Committee has been empowered by the Board to undertake all such necessary actions including but not limited to undertaking further issue of securities of the company on rights issue basis at such prices and on such terms as the Rights Issue Committee may deem fit and also issue further offer documents and do all such acts as may be necessary for the purpose of undertaking issue of the Tranche 2 New Ordinary Equity Shares on such terms and conditions and with such rights as may be determined by the Rights Issue Committee. This Offer Document relates to the issue of up to 5,856,860 (Five Million Eight Hundred Fifty Six Thousand Eight Hundred and Sixty) Tranche 2 New Ordinary Equity Shares.

### B. Background to and Purpose of the Rights Issue

The Company is seeking to raise funds by issuing up to 5,856,860 (Five Million Eight Hundred Fifty Six Thousand Eight Hundred and Sixty) Tranche 2 New Ordinary Equity Shares through the Rights Issue for general business purposes. Pursuant to the resolution of the Board passed on September 3, 2016 and August 20, 2018 basis the recommendations made by the Rights Issue Committee *vide* its resolution of August 17, 2018, the Board has resolved and approved to undertake a rights issue of the Tranche 2 New Ordinary Equity Shares. The Rights Issue Committee has been empowered by the Board to undertake all such necessary actions including but not limited to undertaking further issue of securities of the company on rights issue basis at such prices and on such terms as the Rights Issue Committee may deem fit and also issue further offer documents and do all such acts as may be necessary for the purpose of undertaking issue of the Tranche 2 New Ordinary Equity Shares on such terms and conditions and with such rights as may be determined by the Rights Issue Committee. This Offer Document relates to the issue of up to 5,856,860 (Five Million Eight Hundred Fifty Six Thousand Eight Hundred and Sixty) Tranche 2 New Ordinary Equity Shares.

### C. Basis for the Issue

The Tranche 2 New Ordinary Equity Shares are being offered for subscription for cash, subject to the Maximum Subscription, to the Eligible Shareholders, whose names appear as beneficial owners on the share register of our Company at the close of business hours on the Record Date, i.e. August 15, 2018.

### D. Rights Entitlement

As your name appears as a beneficial owner in respect of the Ordinary Shares in the share register of the Company as on the Record Date, i.e. August 15, 2018, subject to the Maximum Subscription, you are entitled to 1 (one) Tranche 2 New Ordinary Equity Share for every 5.14 (five point one four) Ordinary Shares held by you on the Record Date, i.e. August 15, 2018 ("**Rights Entitlement**"). The Rights Entitlement of the number of the Tranche 2 New Ordinary Equity Shares will be rounded up to the nearest integer representing a multiple of 10 (ten) for each Eligible Shareholder. Merely receiving this Offer Document as a Shareholder does not imply that you are eligible to apply for the Tranche 2 New Ordinary Equity Shares or that you are an Eligible Shareholder.

**Our Company is making this Rights Issue to the Eligible Shareholders of our Company and will dispatch the Offer Document and the Application Form to Eligible Shareholders at such address as is available in the records of the Company. The distribution of the Offer Document and the Rights Issue of Tranche 2 New Ordinary Equity Shares to persons in certain jurisdictions outside Mauritius is restricted by legal requirements prevailing in those jurisdictions. Any person who acquires Rights Entitlements or Tranche 2 New Ordinary Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of this Offer Document or the Application Form, that such person is entitled and eligible to receive the Offer Document, Application Form and is entitled to subscribe to the Tranche 2 New Ordinary Equity Shares without the Company requiring to undertake any action, registration, approval, consent, notification, filing under the laws of the jurisdiction to which such Person is bound by or which generally applies to the Issue in such jurisdiction. Merely receiving this Offer Document as a Shareholder does not imply that you are eligible to apply for the Tranche 2 New Ordinary Equity Shares or that you are an Eligible Shareholder**

### E. Terms of the Rights Issue

The Rights Issue will consist of the issue of up to 5,856,860 (Five Million Eight Hundred Fifty Six Thousand Eight Hundred and Sixty) Tranche 2 New Ordinary Equity Shares of par value USD 1.00 (United States Dollar one) each being offered at the Issue Price in accordance with terms contained in the Offer Document.

**F. Rights Entitlement Ratio**

Subject to the Maximum Subscription and other terms of the Offer Document, Eligible Shareholders shall have the right to subscribe to 1 (one) Tranche 2 New Ordinary Equity Share for every 5.14 (five point one four) Ordinary Shares of the Company held by such Eligible Shareholder on the Record Date.

**G. Round Up of Entitlements**

The Tranche 2 New Ordinary Equity Shares are being offered to the Eligible Shareholders in the ratio of 1 (one) Tranche 2 New Ordinary Equity Share for every 5.14 (five point one four) Ordinary Shares held by such Eligible Shareholder on the Record Date. The Rights Entitlement of the number of the Tranche 2 New Ordinary Equity Shares will be rounded up to the nearest integer representing a multiple of 10 (ten) for each Eligible Shareholder.

**Illustration:** An Eligible Shareholder holding 5,000 (five thousand) Ordinary Shares as on the Record Date shall be entitled to 972.76 (nine hundred and seventy two point seven six) Tranche 2 New Ordinary Equity Shares, which shall be rounded up to 980 (nine hundred and eighty) Tranche 2 New Ordinary Equity Shares.

Therefore, those Eligible Shareholders holding less than 5.14 (five point one four) Ordinary Shares, shall be entitled to 'zero' Tranche 2 New Ordinary Equity Shares under this Issue.

**H. Ranking**

The Tranche 2 New Ordinary Equity Shares Allotted under the Issue shall rank *pari passu* with the Ordinary Shares and accordingly shall have the rights set forth in the Constitution generally available for all Ordinary Shares. In addition, the Tranche 2 New Ordinary Equity Shares shall also have a Tranche 2 Put Option which shall only be available to the Tranche 2 New Ordinary Equity Shareholders.

**I. Mode of payment of dividend**

In the event of declaration of dividend, we shall pay dividend to the Tranche 2 New Ordinary Shareholders as per the provisions of the Constitution and the Act.

**J. Restrictions under the Constitution**

All applicable provisions including restrictions for transfer of Ordinary Shares and applicable to Ordinary Shareholders shall *mutatis mutandis* apply to the Tranche 2 New Ordinary Equity Shares and the Tranche 2 New Ordinary Equity Shareholders.

**K. Renunciation Rights**

Subject to the provisions of paragraph "Q5 – Renunciation of Rights" contained in the chapter titled "Particulars of the Rights Issue", the Eligible Shareholders opting not to take up their Rights Entitlement may renounce them in favour of any other Eligible Shareholder subject to the Maximum Subscription, compliance with all applicable laws and the approval of the Board.

All the Tranche 2 New Ordinary Equity Shares offered shall be in registered form and the register shall be kept by the Company. The Tranche 2 New Ordinary Equity Shares shall be issued in physical form.

**L. Issue Price**

The Board has determined the issue price for each Tranche 2 New Ordinary Equity Share at USD 35 (United States Dollars Thirty Five) and includes face value of USD 1.00 (United States Dollar one) for the Tranche 2 Rights Issue is fair and reasonable to the Company and all its existing Shareholders as required by Section 56(1) of the Companies Act 2001.

**M. Approval by shareholders**

The Tranche 2 Rights Issue is not conditional on approval by Shareholders of the Company.

**N. Maximum subscription**

The subscription to Tranche 2 New Ordinary Equity Shares shall be subject to the Maximum Subscription.

**O. Tranche 2 Put Option**

The Tranche 2 New Ordinary Equity Shareholders shall for the Tranche 2 New Ordinary Equity Shares held by them have a Tranche 2 Put Option. The Tranche 2 Put Option shall be available subject to the terms mentioned in this Offer Document and to the extent made available under such terms. For further details including the period during which the Tranche 2 Put Option shall be available, the conditions for the Tranche 2 Put Option, the Tranche 2 Put Option Exercise Price, please refer to the section titled "Definitions" and "Summary of the terms of the of the Rights Issue" on pages 4 and 9, respectively.

## P. Time-table

Action	Timeline
Record Date for Eligible Shareholders entitled to subscribe to the Tranche 2 New Ordinary Equity Shares	August 15, 2018
Opening of Issue subscription	August 25, 2018
Last date of receiving request for Split Application Form	September 02, 2018
Last date of receiving subscription applications from the Eligible Shareholders and remittance of Application Money	September 11, 2018
Last date of receiving subscription applications in respect of Renouncees and remittance of Application Money	September 11, 2018
Closing of the Issue subscription and deposit of cash consideration	September 11, 2018
Allotment of Tranche 2 New Ordinary Equity Shares / Issue of allotment advice	On or before September 12, 2018
Refund orders	On or before November 12, 2018
Issue of share certificates	On or before November 12, 2018

## Q. Procedure for the Rights Issue

### Q1. Offer Period

The offer of Tranche 2 New Ordinary Equity Shares for the Issue under the Offer Document will open at 10.00 a.m. on August 25, 2018 Mauritius time and will close at 2.00 p.m. on September 11, 2018 Mauritius time. If the Rights Entitlement has not been exercised during this period by an Eligible Shareholder, it shall be deemed that the offer has lapsed in respect of such Shareholder.

### Q2. Application Form

Our Company will dispatch an Application Form to all the holders of the Ordinary Shares as per their Rights Entitlement on the Record Date. The Application Form will be exclusive for each Eligible Shareholder. The Application Form will be customized for each Eligible Shareholder to the extent that it will indicate the number of Ordinary Shares already held by such Eligible Shareholder and the Tranche 2 New Ordinary Equity Shares to which such an Eligible Shareholder shall be entitled. Applicants shall only use the Application Form sent to such Eligible Shareholder to accept the offer to participate in the Issue and all plain paper applications shall be summarily rejected by the Company.

Each of the Application Forms consists of four parts:

**Part A:** Form for accepting the Tranche 2 New Ordinary Equity Shares offered as a part of the Issue, in full or in part, and for applying for additional Tranche 2 New Ordinary Equity Shares by Eligible Shareholders, as applicable;

**Part B:** Form for renunciation of Tranche 2 New Ordinary Equity Shares;

**Part C:** Form for application of the Tranche 2 New Ordinary Equity Shares by Renouncee(s); and

**Part D:** Request for Split Application Forms.

**Any person who acquires Rights Entitlements or Tranche 2 New Ordinary Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of this Offer Document or the Application Form, that such person is entitled and eligible to receive the Offer Document, Application Form and is entitled to subscribe to the Tranche 2 New Ordinary Equity Shares without the Company requiring to undertake any action, registration, approval, consent, notification, filing under the laws of the jurisdiction to which such Person is bound by or which generally applies to the Issue.**

#### (a) Option available to the Eligible Shareholders

An Eligible Shareholder may:

1. Apply for his Rights Entitlement of Tranche 2 New Ordinary Equity Shares in full or in part;
2. Apply for his Rights Entitlement of Tranche 2 New Ordinary Equity Shares in part and renounce the other part of the Tranche 2 New Ordinary Equity Shares;
3. Apply for his Rights Entitlement of Tranche 2 New Ordinary Equity Shares in full and apply for additional Tranche 2 New Ordinary Equity Shares;
4. Renounce his Rights Entitlement of Tranche 2 New Ordinary Equity Shares in full.

#### (b) Availability of duplicate Application Form

In case the original Application Form is not received, or is misplaced by an Eligible Shareholder, the Company shall issue a duplicate Application Form at the request of such Eligible Shareholder who should furnish the registered folio number, share certificate number, and his/ her full name and address to the Company. Please note that the request for duplicate Application Form should reach the Company at least 7 (seven) days prior to the Issue Closing Date. Please note that those who are making the application in the duplicate form should

not utilize the original Application Form for any purpose including renunciation, even if it is received/ found subsequently. If the Eligible Shareholder violates such requirements, he/ she shall face the risk of rejection of either original Application Form or both the applications. Our Company will not be responsible for postal delays or loss of duplicate Application Form in transit.

**(c) Last date for submission of Application**

The last date for submission of the duly filled in Application Form is September 11, 2018. The Board or the Rights Issue Committee may extend the said date for such period as it may determine from time to time.

If the Application Form together with the entire Application Money is not received by the Company in its Subscription Bank Account as mentioned in this Offer Document on or before 2 p.m. Mauritius Time on the aforesaid last date or such date as may be extended by the Board/ Rights Issue Committee, the invitation to offer contained in the Offer Document shall be deemed to have been declined.

**Q3. Acceptance of subscription**

Acceptances are irrevocable and cannot be withdrawn.

Eligible Shareholders may accept, wholly or partly, to subscribe for Tranche 2 New Ordinary Equity Shares by completing and returning a signed Application Form – Part A.

The original Application Form must be returned to the registered office of the Company and the Application Money for the Tranche 2 New Ordinary Equity Shares subscribed be deposited in the Subscription Bank Account not later than September 11, 2018 at 2.00 p.m. Mauritius Time.

An Eligible Shareholder will be deemed to have declined the offer to subscribe to the Tranche 2 New Ordinary Equity Shares under the Tranche 2 Rights Issue if it fails to meet the above deadline.

Incomplete Application Forms will be liable to be rejected.

**General instructions:**

1. Please read the instructions printed on the Application Form carefully.
2. The application should be made only on the printed Application Form, provided by our Company and should be completed in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/ or which are not completed in conformity with the terms of the Offer Document are liable to be rejected and the money paid, if any, in respect thereof will be refunded without interest and after deduction of bank commission and other charges, if any. The Application Form must be filled in English language and the names of all the Investors, details of occupation, address, father's / husband's name and all other fields in the Application Form must be filled in block letters.
3. The Application Form together with a copy of the fund remittance receipt / acknowledgement should be sent to the Company
4. If any portion of the Application Form is/are detached or separated, such applications are liable to be rejected.
5. **Applications where satisfactory evidence from the bank that remits the money that Application Money has been sent and received by the Company in the Subscription Bank Account are not attached for amounts to be paid for the Tranche 2 New Ordinary Equity Shares are liable to be rejected. Applications accompanied by cash or postal order are liable to be rejected. Our Company will not be liable for loss of any documents or cash or postal orders in transit**
6. All Investors, and in the case of application in joint names, each of the joint Investors, should mention his/ her passport number or company registration number, as the case may be. Application Form without passport number or company registration number, as the case may be, will be considered incomplete and are liable to be rejected.
7. Investors, are advised that it is mandatory to provide information as to their savings/current bank account number, the SWIFT CODE, the duly filled SWIFT Declaration Form and the IBAN and the name and address of the bank with whom such account is held in the format attached to the Application Form. Applications not containing such details are liable to be rejected.
8. All payments should be made by way of wire transfer only to the Subscription Bank Account. Cash, cheque, draft or any other mode of payment is not acceptable. In case payment is effected in contravention of this, the application may be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.
9. The signatures on the Application Form should match the signatures in the records of the Company. Signatures other than in English and thumb impressions must be attested by a Notary Public in your jurisdiction.
10. In case of an application made under power of attorney or by a body corporate or by a society, a certified true copy of the relevant power of attorney or relevant resolution or authority to the signatory to make the relevant investment under this Issue and to sign the application. In case these papers are sent to any other entity besides the Company or are sent after the Issue Closing Date, then the application is liable to be rejected.

11. In case of joint holders, all joint holders must sign the relevant part of the Application Form in the same order. Further, in case of joint Investors who are Renounees, the number of Investors should not exceed three. In case of joint Investors, reference, if any, will be made in the first Investor's name and all communication will be addressed to the first Investor.
12. All communication in connection with application for the Tranche 2 New Ordinary Equity Shares, including any change in address of the Investors should be addressed to the Company prior to the Allotment Date in this Issue quoting the name of the first/sole Investor, folio numbers and Application form number. Please note that any intimation for change of address of Investors, after the Allotment Date, should be sent to the Company.
13. SAFs cannot be re-split. Only the person or persons to whom the Tranche 2 New Ordinary Equity Shares have been offered and not Renounee(s) shall be entitled to obtain SAFs.
14. Investors must write their Application Form number in the remarks whilst transferring the Application Money to the Subscription Bank Account.
15. The distribution, marketing of this Offer Document or issue of Tranche 2 New Ordinary Equity Shares to persons in certain jurisdictions outside Mauritius may be restricted/prohibited by legal requirements in those jurisdictions. Persons in such jurisdictions are instructed to disregard the Offer Document and not to attempt to subscribe for the Tranche 2 New Ordinary Equity Shares. For further details please refer to the section titled "Selling Restrictions" beginning on page 63 of this Offer Document.
16. Eligible Shareholders shall be issued the Tranche 2 New Ordinary Equity Shares in physical form only.
17. Investors are requested to ensure that the number of Tranche 2 New Ordinary Equity Shares applied for by them do not exceed the prescribed limits under the applicable law and in no event exceed the Maximum Subscription.

**Do's:**

1. Check if you are eligible to apply i.e. you are an Eligible Shareholder on the Record Date and continue to be an Eligible Shareholder thereafter.
2. Read all the instructions carefully and ensure that all necessary details are filled in.
3. Ensure that your current address is available with us.
4. Ensure that the amount of Application Money transferred through wire transfer is equal to the (number of Tranche 2 New Ordinary Equity Shares applied for) X (Issue Price) before submission of the Application Form. **The Application Money shall be net of all charges / fees that may be levied by any intermediaries.** *Illustration:* An Eligible Shareholder having a Rights Entitlement of 500 (Five Hundred) Tranche 2 New Ordinary Shares, is required to remit such amount to the Company such that the Company receives in its Subscription Bank Account an amount equivalent to USD 17,500 (United States Dollars Seventeen Thousand Five Hundred).
5. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in the Company's records. In case the Application Form is submitted in joint names in the case of Eligible Shareholders being joint holders, ensure that the shares in the Company records are also held in same joint names and such names are in the same sequence in which they appear in the Application Form.

**Don'ts:**

1. Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
2. Do not apply on duplicate Application Form after you have submitted an Application Form to the Company.
3. Do not pay the amount payable on application in cash, cheque, demand draft, by money order or by postal order.
4. Do not submit incomplete or inaccurate Application Form.

**Grounds for Technical Rejections**

Investors are advised to note that applications are liable to be rejected on technical grounds, including the following:

1. Amount paid does not tally with the amount payable.
2. Bank account details (for refund) are not given.
3. Age of Investor(s) not given (in case of Renounees).
4. Passport number or company registration number, as the case may be, not given for application of any value.
5. In case of Application Form under power of attorney or by limited companies, corporate, trust, relevant documents are not submitted.
6. If the signature of the Investor does not match with the signature in the records available with the Company or in the case of a Renounee(s), does not match with the one given on the Application Form submitted by the Investor and the records available with the Company.



7. Application Form is not submitted by the Investors within the time prescribed as per the Application Form and the Offer Document.
8. Application Form not duly signed by the sole/joint Investors.
9. Submission of plain paper application.
10. Application Forms accompanied by cheques/ money order/ postal order/ demand drafts.
11. In case no corresponding record is available with the Company that match three parameters, namely, names of the Investors (including the order of names of joint holders), folio number and number of shares held.
12. Application Forms that do not include the certifications set out in the Application Forms to the effect that the subscriber does not have a registered address (and is not otherwise located) in any restricted jurisdictions and is authorised to acquire the Rights Entitlements and Tranche 2 New Ordinary Equity Shares in compliance with all applicable laws and regulations.
13. Application Forms which have evidence of being executed in/dispatched from restricted jurisdictions.
14. Application Forms by Person other than Eligible Shareholders or Investors (including on account of restriction or prohibition under applicable local laws).
15. Application Forms where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements.
16. Applications by Renounees who are Persons not competent to contract.
17. Submitting multiple Application Forms.

Please read the Offer Document and the instructions contained therein and in the Application Form carefully before filling in the Application Form. The instructions contained in the Application Form are an integral part of the Offer Document and must be carefully followed. The Application Form is liable to be rejected for any non-compliance or non-adherence of the provisions contained in the Offer Document or the Application Form.

#### **Q4. Application for excess Tranche 2 New Ordinary Equity Shares**

Eligible Shareholders who subscribe in full for the Tranche 2 New Ordinary Equity Shares may also apply for Tranche 2 New Ordinary Equity Shares in excess entitlement on the same terms and conditions, provided that they have applied for all Tranche 2 New Ordinary Equity Shares offered to them without renouncing them in whole or in part in favour of any other Person(s). Applications for additional Tranche 2 New Ordinary Equity Shares shall be considered and Allotment shall be made at the sole discretion of the Board.

If you desire to apply for additional Tranche 2 New Ordinary Equity Shares, please indicate your requirement in the place provided for additional Tranche 2 New Ordinary Equity Shares in Part A of the Application Form.

#### **Q5. Renunciation of rights**

Eligible Shareholders who can otherwise subscribe but do not wish to subscribe to any or part of the Tranche 2 New Ordinary Equity Shares offered under the Tranche 2 Rights Issue may renounce their rights in favour of any other Eligible Shareholder in multiples of 10 (ten) Tranche 2 New Ordinary Equity Shares, subject to the Maximum Subscription, the approval of the Board, compliance with the requirements of applicable laws and in accordance with the instructions contained therein. **IN NO EVENT CAN THE TRANCHE 2 NEW ORDINARY EQUITY SHARES BE RENOUNCED TO ANY PERSON(S) OTHER THAN ELIGIBLE SHAREHOLDER(S). IN THE EVENT THERE IS ANY RENOUNCEMENT TO JOINT RENOUNCEES, ALL SUCH JOINT RENOUNCEES SHALL ALSO BE ELIGIBLE SHAREHOLDERS.**

##### ***Procedure for renunciation***

The following procedure applies to renunciation of the Tranche 2 New Ordinary Equity Shares:

*To renounce all the Tranche 2 New Ordinary Equity Shares under the Rights Entitlement offered to an Eligible Shareholder in favour of one Renounee:*

If you wish to renounce the offer in whole, please complete Part 'B' of the Application Form. In case of joint holding, all joint holders must sign Part 'B' of the Application Form. The person in whose favour renunciation has been made should complete and sign Part 'C' of the Application. In case of joint Renounees, all joint Renounees must sign Part 'C' of the Application Form.

*To renounce in part/or renounce the whole to more than one person(s):*

If you wish to either (i) accept the offer in part and renounce the balance, or (ii) renounce the entire offer under this Issue in favour of two or more Renounees, the Application Form must be first split into requisite number of forms ("**Spilt Application Form**" or "**SAF**").

Please indicate your requirement of SAFs in the space provided for this purpose in Part 'D' of the Application Form and return the entire Application Form to the Company so as to reach them latest by the close of business hours on

the last date of receiving requests for SAFs as provided herein. On receipt of the required number of SAFs from the Company, the procedure as mentioned in paragraph above shall have to be followed.

In case the signature of the Eligible Shareholder(s), who has renounced the Tranche 2 New Ordinary Equity Shares or the Renouncee(s), does not match with the specimen registered with our Company, the application is liable to be rejected.

*Renouncee(s):*

The person(s) in whose favour the Rights Entitlements for the Tranche 2 New Ordinary Equity Shares, are renounced should fill in and sign Part 'C' of the Application Form, and submit the entire Application Form, to the Company, on or before the Issue Closing Date along with the Application Money being remitted to the Subscription Bank Account of the Company in full.

*Change and/or introduction of additional holders:*

If you wish to apply for Tranche 2 New Ordinary Equity Shares, jointly with any other person(s), not more than three including you, who is/are not already a joint holder with you, it shall amount to renunciation and the procedure as stated above for renunciation shall have to be followed. Even a change in the sequence of the name of joint holders shall amount to renunciation and the procedure, as stated above shall have to be followed.

However, the right of renunciation is subject to the express condition that our Board shall be entitled in its absolute discretion to reject the request for Allotment to the Renouncee(s) without assigning any reason thereof.

**Please note that:**

1. Application Form will be issued for Tranche 2 New Ordinary Equity Shares.
2. Part 'A' of the Application Form, must not be used by any person(s) other than the Eligible Shareholder, to whom this Offer Document has been addressed. If used by any other person, this will render the application invalid.
3. Applicants must provide the information in the Application Form, as to their account number, the name of the bank, and other details as required under the Application Form to enable the Company to print the information on the refund orders.
4. Request for SAF, should be made for a minimum of 10 (ten) Tranche 2 New Ordinary Equity Shares, and in multiples thereof.
5. Request by the Eligible Shareholders for the SAFs should reach the Company on or before September 02, 2018.
6. Only the Eligible Shareholder to whom the Offer Document has been addressed shall be entitled to renounce and to apply for SAF.
7. Forms once split cannot be split further.
8. SAFs will be sent to the Eligible Shareholder(s) by post at the Applicant's risk.
9. Eligible Shareholders may not renounce in favour of persons or entities other than Eligible Shareholders.
10. Eligible Shareholders may renounce their rights in favour of any other Eligible Shareholder in multiples of 10 (ten) Tranche 2 New Ordinary Equity Shares only.
11. While applying for or renouncing their Rights Entitlement, all joint Eligible Shareholders, must sign the corresponding Application Form and in the same order and as per specimen signatures recorded with our Company.
12. Application(s) for allotment of the Tranche 2 New Ordinary Equity Shares allotted as a part of this Issue shall, *inter alia*, be subject to conditions, as may be imposed from time to time by the applicable law.

**Any person who acquires Rights Entitlements or Tranche 2 New Ordinary Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of this Offer Document or the Application Form, that such person is entitled and eligible to subscribe to and receive the Offer Document, Application Form and is entitled to subscribe to the Tranche 2 New Ordinary Equity Shares without the Company requiring to undertake any action, registration, approval, consent, notification, filing under the laws of the jurisdiction to which such Person is bound by or which generally applies to the Issue.**

**Q6. Tranche 2 New Ordinary Equity Shares not subscribed for**

After allocation of Tranche 2 New Ordinary Equity Shares to meet applications for excess shares, any Tranche 2 New Ordinary Equity Shares not applied for shall remain under the control of the Board, which shall offer and allocate the said shares to Eligible Shareholder(s) at the Issue Price.

The Issue will not be underwritten and is not conditional upon any minimum acceptance thresholds. The Company is confident that the Tranche 2 New Ordinary Equity Shares will be fully subscribed and the Board intends to proceed with the Issue even if the Tranche 2 New Ordinary Equity Shares are not fully subscribed.

#### **Q7. Basis of Allotment**

Subject to the provisions contained in the Offer Document, the Constitution, the Board will proceed to Allot the Tranche 2 New Ordinary Equity Shares in the following order of priority:

1. Full Allotment to those Eligible Shareholders who have applied for their Rights Entitlement either in full or in part.
2. Subject to the discretion and approval of the Board, allotment to the Renouncee(s) who has/ have applied for Tranche 2 New Ordinary Equity Shares renounced in their favour, in full or in part.
3. Subject to the discretion and approval of the Board, allotment to the Eligible Shareholders who having applied for all the Tranche 2 New Ordinary Equity Shares offered to them as part of the Issue, have also applied for additional Tranche 2 New Ordinary Equity Shares. The Allotment of such additional Tranche 2 New Ordinary Equity Shares will be made as far as possible having due regard to the number of Tranche 2 New Ordinary Equity Shares held by them on the Record Date, provided there are any unsubscribed Tranche 2 New Ordinary Equity Shares after making full Allotment in (1) and (2) above. The Allotment of such Tranche 2 New Ordinary Equity Shares will be at the sole discretion of the Board to Eligible Shareholders.
4. Allotment to any other Eligible Shareholder that our Board as it may deem fit provided there is surplus available after making Allotment under (1) and (3) above, and the decision of the Board in this regard shall be final and binding.

#### **Q8. Methods of payment**

Investors are advised to use wire transfer to make payment for subscribing to the Tranche 2 New Ordinary Equity Shares under the terms of this Offer Document. Investors are cautioned that Application Forms accompanied by cash, cheques or demand drafts or any other form of payment except wire transfer are liable to be rejected.

Payment for Tranche 2 New Ordinary Equity Shares can be made by bank transfer to the bank account of the Company ("**Subscription Bank Account**"), detailed as follows:

Bank Account Name : INDUSIND INTERNATIONAL HOLDINGS LTD  
Bank Name : SBI (Mauritius) Ltd  
Bank Address : 7th Floor SBI Tower, 45 Mindspace Building, Ebene Cybercity, Mauritius  
IBAN : MU94INIL0812151200020202000USD  
Account Number : 151200020202  
Swift Code : INILMUMU

The Offer Document serial number reference (as mentioned on page 1 in this Offer Document) must be quoted in the bank transfer transaction and bank transfer receipt. A copy of the bank transfer receipt must be enclosed with the Application Form.

#### **Q9. Allotment Advices / Refund Orders**

Our Company will issue and dispatch Allotment advice on or before September 12, 2018. Our Company will issue and dispatch letters of regret along with refund transaction id, if any, on or before November 12, 2018. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

In case of those Investors to whom our Company issues letter of allotment, the corresponding share certificates will be dispatched will be kept ready on or before November 12, 2018 or such extended time as may be approved under Act or other applicable provisions, if any. Investors are required to preserve such letters of allotment.

The letter of allotment would be sent by regular post/electronic mail to the sole/ first Investor's address provided by the Eligible Shareholders to our Company. Refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts, the details of which should be furnished in the Application Form by the Investor. Subject to the applicable laws and other approvals, refund and/or payment of dividend or interest and any other disbursement, shall be credited to such accounts and will be made after deducting bank charges or commission in U.S. dollars, at the rate of exchange prevailing at such time. Our Company will not be responsible for any loss on account of exchange rate fluctuations. The letter of allotment will be sent by post/electronic mail to the address of the Investors as provided to our Company.

#### **Q10. Mode of Making Refunds**

The payment of refund, if any, shall be done in electronic mode to the bank account particulars mentioned by the Eligible Shareholder in the Swift Declaration Form duly submitted by the Eligible Shareholder in the format attached to the Application Form.

#### **Q11. Description of rights attached**

The Tranche 2 New Ordinary Equity Shares shall be of the same class and shall rank *pari passu* with the existing Ordinary Shares and accordingly shall have the rights set forth in the Constitution generally available for all Ordinary Shares. In addition, the Tranche 2 New Ordinary Equity Shares shall also have a Tranche 2 Put Option which shall only be available to the Tranche 2 New Ordinary Equity Shareholders.

Subject to applicable laws, the Tranche 2 New Ordinary Equity Shareholders shall have the following rights *inter alia*:

1. Right to an equal share in dividends if authorized by the Board;
2. Right to one vote on a poll at a meeting of the Company on any resolution, unless prohibited under applicable law;
3. Right to receive offers for rights shares and be allotted bonus shares, if announced;
4. Right to an equal share in the distribution of surplus assets; and
5. Such other rights as may be available to a shareholder of an unlisted public company under the Act and the Constitution.

**Q12. Disposal of application and application money**

No acknowledgment will be issued for the Application Moneys received by our Company.

The Board reserves its full, unqualified and absolute right to accept or reject any application, in whole or in part, and in either case without assigning any reason thereto. In case an application is rejected in full, the whole of the Application Money received will be refunded. Wherever an application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Tranche 2 New Ordinary Equity Shares allotted, will be refunded to the Investor on or before November 12, 2018. For further instructions, please read the Application Form carefully.

**Important**

1. Please read the Offer Document carefully before taking any action. The instructions contained in the Application Form are an integral part of the conditions of the Offer Document and must be carefully followed otherwise the application is liable to be rejected.
2. All enquiries in connection with this Offer Document or Application Form and requests for SAFs must be addressed (quoting the Folio Number/ Number of Shares held/the Application Form number and the name of the first Shareholder as mentioned on the Application Forms and super-scribed "IIHL – Tranche 2 Rights Issue" on the envelope) to the Company at the following address:

**INDUSIND INTERNATIONAL HOLDINGS LIMITED**

**Name of the Management Company:** JurisTax Limited

**Address:** Level 3, Ebene House, Hotel Avenue, 33 Cybercity, Ebene, 72201, Mauritius

**Tel:** (+230) 4655526

**Fax:** (+230) 468 1886

**Email:** [lrungien@juristax.com](mailto:lrungien@juristax.com)

**Contact Person:** Mr. Darsen Rungien

## ISSUE PROCEEDS

### Estimated net proceeds

Proceeds	Amount (in USD)
Issue Proceeds	Up to 204,990,100
Less: estimated expenses (see below)	550,000
<b>Estimated Net Issue Proceeds</b>	<b>Up to 204,440,100</b>

### Use of proceeds

The Company is seeking to raise up to USD 204,990,100 (United States Dollars Two Hundred Four Million Nine Hundred Ninety Thousand One Hundred) through the Tranche 2 Rights Issue for general business purposes as provided in the Constitution and as may be approved by the Board from time to time.

In accordance with the policies set up by the Board and as permissible under applicable laws and government policies, the management of the Company will have the flexibility in deploying and utilizing the proceeds received from the Tranche 2 Rights Issue.

## CAPITALIZATION

### A. Stated capital

The stated share capital of the Company as of the date of this Offer Document amounted to USD 35,948,227 (United States Dollars Thirty Five Million Nine Hundred Forty Eight Thousand Two Hundred and Twenty Seven) represented by 35,948,227 (Thirty Five Million Nine Hundred Forty Eight Thousand Two Hundred and Twenty Seven) Ordinary Shares. Basis the latest audited financial statements of the Company, which are subject to the consideration and adoption by the shareholders of the Company at the forth coming Annual General Meeting of the Company, as at March 31, 2018, the Company holds 5,858,746 (Five Million Eight Hundred and Fifty Eight Thousand Seven Hundred and Forty Six) treasury shares issued of par value USD 1.00 each. All issued shares are fully paid.

No part of the capital of the Company is under option or agreed conditionally or unconditionally to be put under option.

### B. Total Shareholder's Equity

The Total Shareholder's Equity of the Company as of March 31, 2018\* is as follows:

Particulars	Pre-Rights Issue
<b>Issued share capital</b>	
a. Existing Ordinary Shares	35,948,227
b. Treasury Shares	(5,858,746)
<b>Total reserves</b>	
a. Revaluation reserves	2,343,434,533
b. Revenue reserves	162,759,030
<b>Total shareholders' equity</b>	<b>2,650,179,700</b>

\* As at March 31, 2018, being the latest audited financial statements available, which are subject to the consideration and adoption by the shareholders of the Company at the forth coming Annual General Meeting of the Company.

### C. Impact of the issue of Tranche 2 New Ordinary Equity Shares on the capital base

The table below shows the impact of the Tranche 2 Rights Issue on the capital base of the Company on a standalone basis pursuant to the Tranche 2 Rights Issue.

(Amounts in USD)

Particulars	Pre-Second Tranche of the Rights Issue	Post-Second Tranche of the Rights Issue (assuming full subscription)
<b>Issued share capital</b>		
a. Existing Ordinary Shares	35,948,227	35,948,227
b. Tranche 2 New Ordinary Equity Shares	Nil	5,856,860
c. Treasury Shares	(5,858,746)	(5,858,746)#
<b>Total reserves</b>		
a. Revaluation reserves	2,343,434,533*	2,343,434,533^
b. Revenue reserves	162,759,030*	162,759,030^
c. Securities premium/ Other reserves	114,340,024*	313,473,264
d. Capitalisation of Expenses/ Other reserves	(443,368)*	(993,368)##
<b>Total shareholders' equity</b>	<b>2,650,179,700*</b>	<b>2,854,619,800</b>

\* As at March 31, 2018, being the latest audited financial statements available, which are subject to the consideration and adoption by the shareholders of the Company at the forth coming Annual General Meeting of the Company.

# Treasury Shares shall be cancelled by the Board upon the completion of Issue immediately after the Allotment Date to the extent of subscription to the New Ordinary Equity Shares.

\*\*The Post-Second Tranche of the Rights Issue, the Total Shareholder's Equity shall get adjusted upon cancellation of the Treasury Shares to the extent of subscription to the Tranche 2 New Ordinary Equity Shares.

## The figure represents estimated Issue related expenses of USD 550,000 and the actual value may vary.

^ The revaluation and revenue reserves have been calculated on the basis of the figures as at March 31, 2018, being the latest audited financial statements available, which are subject to the consideration and adoption by the shareholders of the Company at the forth coming Annual General Meeting of the Company and may be subject to change, if calculated as of a later date.

**D. Particulars of securities not representing share capital**

Type of Security	Status (listed/unlisted)	Outstanding Amount (in USD)	Maturity date
Bonds	Unlisted	1,612,914	September 30, 2017

*Note: These bonus bonds have matured and have been redeemed, however, certain bondholders have not provided their bank account details for transfer of the redemption amount and therefore these were bonus bonds that were issued and are reflected in the financial statements for the year ended March 31, 2018, being the latest audited financial statements available, which are subject to the consideration and adoption by the shareholders of the Company at the forth coming Annual General Meeting of the Company.*

## **SELECTED FINANCIAL INFORMATION**

The following tables set forth summary consolidated financial information derived from the consolidated financial statements of the Company as of and for the financial years ended March 31, 2018, March 31, 2017 and March 31, 2016, prepared in accordance with IFRS and the Act as described in the section “Financial Statements” beginning on page F-1 of the Offer Document. The financial statements of the Company as of and for the financial year ended March 31, 2018 are subject to the consideration and adoption by the shareholders of the Company at the forthcoming Annual General Meeting of the Company.



**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of profit or loss and other comprehensive income**  
for the year ended 31 March 2018

	Note	The Group		The Company	
		2018 USD	2017 USD	2018 USD	2017 USD
Revenue	4	8,386,359	5,912,090	6,158,677	5,813,844
Administration expenses		(1,320,529)	(830,055)	(1,229,195)	(781,665)
		<u>7,065,830</u>	<u>5,082,035</u>	<u>4,929,482</u>	<u>5,032,179</u>
Realised gain on disposal of available-for-sale investments		5,334,911	-	5,334,911	34,767,067
<b>Profit from operating activities</b>		<u>12,400,741</u>	<u>5,082,035</u>	<u>10,264,393</u>	<u>39,799,246</u>
Finance income	5	3,781,910	1,049,283	3,773,620	1,049,221
Finance costs	5	(6,758,472)	(2,996,678)	(6,757,473)	(2,995,590)
<b>Net finance costs</b>	5	<u>(2,976,562)</u>	<u>(1,947,395)</u>	<u>(2,983,853)</u>	<u>(1,946,369)</u>
<b>Operating profit</b>		<u>9,424,179</u>	<u>3,134,640</u>	<u>7,280,540</u>	<u>37,852,877</u>
Share of profit of associate	7a	118,198	109,587	-	-
<b>Profit before taxation</b>		<u>9,542,377</u>	<u>3,244,227</u>	<u>7,280,540</u>	<u>37,852,877</u>
Taxation	6	(66,491)	(42,063)	-	-
<b>Profit for the year</b>		<u>9,475,886</u>	<u>3,202,164</u>	<u>7,280,540</u>	<u>37,852,877</u>
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences		(20,687)	32,926	-	-
Net change in fair value of available for sale financial assets	8, 9	566,794,210	654,937,026	561,240,321	643,206,688
<b>Other comprehensive income for the year</b>		<u>566,773,523</u>	<u>654,969,952</u>	<u>561,240,321</u>	<u>643,206,688</u>
<b>Total comprehensive income for the year</b>		<u>576,249,409</u>	<u>658,172,116</u>	<u>568,520,861</u>	<u>681,059,565</u>

**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of profit or loss and other comprehensive income (continued)**  
*for the year ended 31 March 2018*

	<b>The Group</b>		<b>The Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Profit attributable to:</b>				
Owners of the Company	9,354,672	3,125,455	7,280,540	37,852,877
Non-controlling interests	121,214	76,709	-	-
	<u>9,475,886</u>	<u>3,202,164</u>	<u>7,280,540</u>	<u>37,852,877</u>
 <b>Total comprehensive income attributable to:</b>				
Owners of the Company	568,545,351	648,585,128	568,520,861	681,059,565
Non-controlling interests	7,704,058	9,586,988	-	-
	<u>576,249,409</u>	<u>658,172,116</u>	<u>568,520,861</u>	<u>681,059,565</u>

**IndusInd International Holdings Ltd and its subsidiaries**

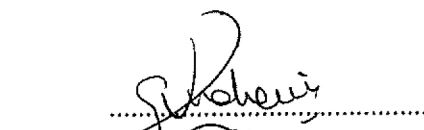
**Consolidated and separate statements of financial position**  
as at 31 March 2018

	Note	The Group		The Company	
		2018 USD	2017 USD	2018 USD	2017 USD
<b>Assets</b>					
Investments in subsidiaries	9	-	-	595,771,731	466,878,045
Investments in associate	7	1,744,644	1,647,133	248,930	248,930
Available-for-sale investments	8	2,729,010,738	2,136,006,543	2,106,645,068	1,648,088,448
<b>Total non-current assets</b>		<b>2,730,755,382</b>	<b>2,137,653,676</b>	<b>2,702,665,729</b>	<b>2,115,215,423</b>
Other receivables and prepayments	10	11,466,156	2,961	37,134,686	27,871,119
Income tax receivable	6	-	1,042	-	-
Cash and cash equivalents		114,115,209	94,451,901	114,088,492	94,397,836
<b>Total current assets</b>		<b>125,581,365</b>	<b>94,455,904</b>	<b>151,223,178</b>	<b>122,268,955</b>
<b>Total assets</b>		<b>2,856,336,747</b>	<b>2,232,109,580</b>	<b>2,853,888,907</b>	<b>2,237,484,378</b>

These consolidated and separate financial statements have been approved and authorised for issue by the

Board of directors on ....12..August..2018..... and signed on its behalf by

  
.....  
Director

  
.....  
Director

**IndusInd International Holdings Ltd and its subsidiaries**

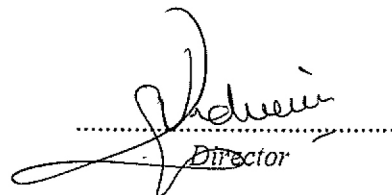
**Consolidated and separate statements of financial position (continued)**  
*as at 31 March 2018*

	Note	The Group		The Company	
		2018 USD	2017 USD	2018 USD	2017 USD
<b>Equity</b>					
Stated capital	11	35,948,227	35,948,227	35,948,227	35,948,227
Other reserve		138,244,014	138,244,014	113,896,656	113,896,656
Treasury shares	12	(5,858,746)	(5,858,746)	(5,858,746)	(5,858,746)
Translation reserve		(1,393,177)	(1,372,490)	-	-
Revaluation reserve		2,223,298,518	1,664,087,152	2,343,434,533	1,782,194,212
Revenue reserve		228,746,805	221,197,507	162,759,030	157,283,864
<b>Total equity attributable to owners of the Company</b>		<b>2,618,985,641</b>	<b>2,052,245,664</b>	<b>2,650,179,700</b>	<b>2,083,464,213</b>
<b>Non-controlling interests</b>	13	<b>33,450,104</b>	<b>25,746,046</b>	-	-
<b>Total equity</b>		<b>2,652,435,745</b>	<b>2,077,991,710</b>	<b>2,650,179,700</b>	<b>2,083,464,213</b>
<b>Non-current liabilities</b>					
Loan	15	200,000,000	150,000,000	200,000,000	150,000,000
<b>Current liabilities</b>					
Other payables	14	3,866,068	4,117,870	3,709,207	4,020,165
Tax payable	6	34,934	-	-	-
<b>Total current liabilities</b>		<b>3,901,002</b>	<b>4,117,870</b>	<b>3,709,207</b>	<b>4,020,165</b>
<b>Total liabilities</b>		<b>203,901,002</b>	<b>154,117,870</b>	<b>203,709,207</b>	<b>154,020,165</b>
<b>Total equity and liabilities</b>		<b>2,856,336,747</b>	<b>2,232,109,580</b>	<b>2,853,888,907</b>	<b>2,237,484,378</b>

These Consolidated and separate financial statements have been approved and authorised for issue by the

Board of directors on .....12..August..2018..... and signed on its behalf by

  
 Director

  
 Director

## IndusInd International Holdings Ltd and its subsidiaries

### Consolidated and separate statements of changes in equity for the year ended 31 March 2018

#### The Group

	Attributable to owners of the Company								
	Stated capital USD	Other reserve USD	Treasury shares USD	Translation reserve USD	Revaluation Reserve USD	Revenue reserve USD	Total USD	Non - controlling interests USD	Total equity USD
<b>Balance at 1 April 2016</b>	35,948,227	24,347,358	(11,856,642)	(1,405,416)	1,018,660,405	219,645,850	1,285,339,782	16,239,428	1,301,579,210
<b>Total comprehensive income</b>	-	-	-	-	-	3,125,455	3,125,455	76,709	3,202,164
Profit for the year	-	-	-	32,926	645,426,747	-	645,459,673	9,510,279	654,969,952
Other comprehensive income	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	32,926	645,426,747	3,125,455	648,585,128	9,586,988	658,172,116
<b>Transactions with owners of the Company</b>									
<b>Contributions and distributions</b>									
Shares bought back	-	-	(20,000)	-	-	(60,000)	(80,000)	-	(80,000)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(80,370)	(80,370)
Dividends paid (Note 16)	-	-	-	-	-	(1,444,595)	(1,444,595)	-	(1,444,595)
Dividend prior year	-	-	-	-	-	(4,370)	(4,370)	-	(4,370)
Bonds recalculation	-	-	-	-	-	3,750	3,750	-	3,750
Reclassification of dividend payable	-	-	-	-	-	(68,583)	(68,583)	-	(68,583)
Rights issue	-	114,340,024	6,017,896	-	-	-	120,357,920	-	120,357,920
Capitalisation of expenses	-	(443,368)	-	-	-	-	(443,368)	-	(443,368)
<b>Total contributions and distributions</b>	-	113,896,656	5,997,896	-	-	(1,573,798)	118,320,754	(80,370)	118,240,384
<b>Balance at 31 March 2017</b>	35,948,227	138,244,014	(5,858,746)	(1,372,490)	1,664,087,152	221,197,507	2,052,245,664	25,746,046	2,077,991,710

**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of changes in equity (continued)  
for the year ended 31 March 2018**

**The Group (continued)**

	←----- Attributable to owners of the Company ----->								
	Stated capital USD	Other reserve USD	Treasury shares USD	Translation reserve USD	Revaluation Reserves USD	Revenue reserve USD	Total USD	Non - controlling interests USD	Total equity USD
Balance at 1 April 2017	35,948,227	138,244,014	(5,858,746)	(1,372,490)	1,664,087,152	221,197,507	2,052,245,664	25,746,046	2,077,991,710
<b>Total comprehensive income</b>									
Profit for the year	-	-	-	-	-	9,354,672	9,354,672	121,214	9,475,886
Other comprehensive income	-	-	-	(20,687)	559,211,366	-	559,190,679	7,582,844	566,773,523
<b>Total comprehensive income for the year</b>									
Transactions with owners of the Company									
Contributions and distributions									
Current year dividend declared (Note 16)	-	-	-	-	-	(1,805,374)	(1,805,374)	-	(1,805,374)
<b>Total contributions and distributions</b>									
Balance at 31 March 2018	35,948,227	138,244,014	(5,858,746)	(1,393,177)	2,223,298,518	228,746,805	2,618,985,641	33,450,104	2,652,435,745

**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of changes in equity (continued)**  
*for the year ended 31 March 2018*

<b>The Company</b>	<b>Stated capital USD</b>	<b>Treasury shares USD</b>	<b>Revaluation reserve USD</b>	<b>Revenue reserve USD</b>	<b>Other reserve USD</b>	<b>Total equity USD</b>
Balance at 1 April 2016	35,948,227	(11,856,642)	1,138,987,524	121,004,785	-	1,284,083,894
Total comprehensive income for the year	-	-	-	37,852,877	-	37,852,877
Other comprehensive income	-	-	643,206,688	-	-	643,206,688
Total comprehensive income for the year	-	-	643,206,688	-	-	643,206,688
Transactions with owners of the Company						
Contributions and distributions						
Shares bought-back	-	(20,000)	-	(60,000)	-	(80,000)
Current year dividend paid (Note 16)	-	-	-	(1,444,595)	-	(1,444,595)
Bonds recalled	-	-	-	3,750	-	3,750
Dividend prior year	-	-	-	(4,370)	-	(4,370)
Reclassification of dividend payable	-	-	-	(68,583)	-	(68,583)
Right issue	-	6,017,896	-	-	114,340,024	120,357,920
Capitalisation of expenses	-	-	-	-	(443,368)	(443,368)
Balance at 31 March 2017	35,948,227	(5,858,746)	1,782,194,212	157,283,864	113,896,656	2,083,464,213

**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of changes in equity (continued)  
for the year ended 31 March 2018**

**The Company (continued)**

	Stated capital USD	Treasury shares USD	Revaluation reserve USD	Revenue reserve USD	Other reserve USD	Total equity USD
<b>Balance at 1 April 2017</b>	35,948,227	(5,858,746)	1,782,194,212	157,283,864	113,896,656	2,083,464,213
<b>Total comprehensive income for the year</b>	-	-	-	7,280,540	-	7,280,540
<b>Other comprehensive income</b>	-	-	561,240,321	-	-	561,240,321
<b>Total comprehensive income for the year</b>	-	-	561,240,321	7,280,540	-	568,520,861
<b>Transactions with owners of the Company</b>	-	-	-	(1,805,374)	-	(1,805,374)
<b>Distributions</b>	-	-	-	-	-	-
Current year dividend declared (Note 16)	-	-	-	(1,805,374)	-	(1,805,374)
<b>Balance at 31 March 2018</b>	<u>35,948,227</u>	<u>(5,858,746)</u>	<u>2,343,434,533</u>	<u>162,759,030</u>	<u>113,896,656</u>	<u>2,650,179,700</u>



## IndusInd International Holdings Ltd and its subsidiaries

### Consolidated and separate statements of cash flows for the year ended 31 March 2018

	The Group		The Company	
	2018	2017	2018	2017
	USD	USD	USD	USD
<b>Cash flows from operating activities</b>				
Profit for the year	9,475,886	3,202,164	7,280,540	37,852,877
<i>Adjustments for:</i>				
Interest income	(3,776,863)	(1,049,277)	(3,768,573)	(1,049,215)
Interest expense	6,721,929	2,961,794	6,721,929	2,961,794
Dividend income	(8,386,359)	(5,912,090)	(6,158,677)	(5,813,844)
Realised gain on disposal of investment	(5,334,911)	-	(5,334,911)	(34,767,067)
Share of profit of associate (net of tax)	(118,198)	(109,587)	-	-
Taxation	66,491	42,063	-	-
	(1,352,025)	(864,933)	(1,259,692)	(815,455)
Change in other receivables and prepayments	(463,195)	208,885	1,736,433	195,137
Change in other payables	479,422	(5,533,516)	420,266	(5,537,362)
<b>Cash (used in)/generated from operating activities</b>	<b>(1,335,798)</b>	<b>(6,189,564)</b>	<b>897,007</b>	<b>(6,157,680)</b>
Income tax paid	(31,557)	(42,584)	-	-
Income tax refunded	1,042	-	-	-
Interest paid	(6,545,579)	(2,961,794)	(6,545,579)	(2,961,794)
<b>Net cash used in operating activities</b>	<b>(7,911,892)</b>	<b>(9,193,942)</b>	<b>(5,648,572)</b>	<b>(9,119,474)</b>
<b>Cash flows from investing activities</b>				
Interest received	3,776,863	1,049,277	3,768,573	1,049,215
Dividend received	8,386,359	5,912,090	6,158,677	5,813,844
Acquisition of investments	(32,385,733)	(175,785,517)	(32,385,733)	(175,815,517)
Disposal proceeds of investments	11,510,659	-	11,510,659	-
Loan to third party	(11,000,000)	-	(11,000,000)	-
<b>Net cash used in investing activities</b>	<b>(19,711,852)</b>	<b>(168,824,150)</b>	<b>(21,947,824)</b>	<b>(168,952,458)</b>
<b>Cash flows from financing activities</b>				
Dividend paid	(889,726)	(1,444,595)	(889,726)	(1,444,595)
Prior year dividends paid	-	(4,370)	-	(4,370)
Payment on buy-back of shares	-	(80,000)	-	(80,000)
Re-classification of dividend payable	-	(68,583)	-	(68,583)
Payment of Bonds	(1,823,222)	(2,641,725)	(1,823,222)	(2,641,725)
Loan proceeds	50,000,000	150,000,000	50,000,000	150,000,000
Right issue	-	120,357,920	-	120,357,920
Right issue expenses	-	(443,368)	-	(443,368)
<b>Net cash flow from financing activities</b>	<b>47,287,052</b>	<b>265,675,279</b>	<b>47,287,052</b>	<b>265,675,279</b>
<b>Net increase in cash and cash equivalents</b>	<b>19,663,308</b>	<b>87,657,187</b>	<b>19,690,656</b>	<b>87,603,347</b>
Cash and cash equivalent at 1 April	94,451,901	6,794,714	94,397,836	6,794,489
Cash and cash equivalent at 31 March	114,115,209	94,451,901	114,088,492	94,397,836

**IndusInd International Holdings Ltd and its subsidiaries**

**Detailed consolidated and separate statement of profit and loss**  
for the year ended 31 March 2018

The supplementary information presented does not form part of the financial statements and is unaudited.

	<b>The Group</b>		<b>The Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Revenue</b>				
Dividends	8,386,359	5,912,090	6,158,677	5,813,844
	<u>8,386,359</u>	<u>5,912,090</u>	<u>6,158,677</u>	<u>5,813,844</u>
Realised gain on disposal of available-for-sale investments	5,334,911	-	5,334,911	34,767,067
	<u>13,721,270</u>	<u>5,912,090</u>	<u>11,493,588</u>	<u>40,580,911</u>
<b>Administration expenses</b>				
Professional and legal fees	643,282	418,372	603,910	403,994
Set up costs	13,500	-	-	-
Board meeting expenses	214,784	217,741	214,784	217,741
Audit and accounting fees	49,155	31,575	26,565	24,550
Rent	16,620	-	16,620	-
Salary	170,520	-	170,520	-
Sundries	4,993	3,465	4,993	2,591
Telephone, fax and courier charges	40,303	26,060	40,303	22,830
Licence fee	12,242	4,850	2,173	2,525
Donation	100,000	100,000	100,000	100,000
Other expenses	55,130	27,992	49,327	7,434
	<u>1,320,529</u>	<u>830,055</u>	<u>1,229,195</u>	<u>781,665</u>
Profit from operating activities	12,400,741	5,082,035	10,264,393	39,799,246
Finance income	3,781,910	1,049,283	3,773,620	1,049,221
Finance costs	(6,758,472)	(2,996,678)	(6,757,473)	(2,995,590)
<b>Net finance costs</b>	<u>(2,976,562)</u>	<u>(1,947,395)</u>	<u>(2,983,853)</u>	<u>(1,946,369)</u>
<b>Operating profit</b>	<u>9,424,179</u>	<u>3,134,640</u>	<u>7,280,540</u>	<u>37,852,877</u>
Share of profit of associate	118,198	109,587	-	-
<b>Profit before taxation</b>	<u>9,542,377</u>	<u>3,244,227</u>	<u>7,280,540</u>	<u>37,852,877</u>

## IndusInd International Holdings Ltd and its subsidiaries

### Consolidated and separate statements of profit or loss and other comprehensive income for the year ended 31 March 2017

	Note	The Group		The Company	
		2017 USD	2016 USD	2017 USD	2016 USD
Revenue	4	5,912,090	5,447,100	5,813,844	5,371,624
Administration expenses		(830,055)	(567,236)	(781,665)	(550,417)
		<u>5,082,035</u>	<u>4,879,864</u>	<u>5,032,179</u>	<u>4,821,207</u>
Realised gain		-	42,228,241	34,767,067	42,228,241
<b>Profit from operating activities</b>		<u>5,082,035</u>	<u>47,108,105</u>	<u>39,799,246</u>	<u>47,049,448</u>
Finance income	5	1,049,283	111,228	1,049,221	110,834
Finance costs	5	(2,996,678)	(37,518)	(2,995,590)	(36,542)
<b>Net finance income / (costs)</b>	5	<u>(1,947,395)</u>	<u>73,710</u>	<u>(1,946,369)</u>	<u>74,292</u>
<b>Operating profit</b>		<u>3,134,640</u>	<u>47,181,815</u>	<u>37,852,877</u>	<u>47,123,740</u>
Share of profit of associate (net of tax)	7a	109,587	109,852	-	-
<b>Profit before taxation</b>		<u>3,244,227</u>	<u>47,291,667</u>	<u>37,852,877</u>	<u>47,123,740</u>
Taxation	6	(42,063)	(39,312)	-	-
<b>Profit for the year</b>		<u>3,202,164</u>	<u>47,252,355</u>	<u>37,852,877</u>	<u>47,123,740</u>
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences		32,926	(80,467)	-	-
Net change in fair value of available for sale financial assets.		654,937,025	8,947,830	643,206,688	8,189,738
<b>Other comprehensive income for the year, net of income tax</b>		<u>654,969,951</u>	<u>8,867,363</u>	<u>643,206,688</u>	<u>8,189,738</u>
<b>Total comprehensive income for the year</b>		<u>658,172,115</u>	<u>56,119,718</u>	<u>681,059,565</u>	<u>55,313,478</u>

**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of profit or loss and other comprehensive income (continued)**  
*for the year ended 31 March 2017*

	<b>The Group</b>		<b>The Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Profit attributable to:</b>				
Owners of the Company	<b>3,125,455</b>	47,180,644	<b>37,852,877</b>	47,123,740
Non-controlling interests	<b>76,709</b>	71,711	-	-
	<b><u>3,202,164</u></b>	<u>47,252,355</u>	<b><u>37,852,877</u></b>	<u>47,123,740</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	<b>648,585,128</b>	55,342,863	<b>681,059,565</b>	55,313,478
Non-controlling interests	<b>9,586,987</b>	776,855	-	-
	<b><u>658,172,115</u></b>	<u>56,119,718</u>	<b><u>681,059,565</u></b>	<u>55,313,478</u>

**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of financial position**  
as at 31 March 2017

	Note	The Group		The Company	
		2017 USD	2016 USD	2017 USD	2016 USD
<b>Assets</b>					
Investments in subsidiaries	9	-	-	466,878,045	271,697,047
Investments in associate	7	1,647,133	1,504,620	248,930	248,930
Other investments	8	2,136,006,543	1,305,284,001	1,648,088,447	989,480,173
<b>Total non-current assets</b>		<b>2,137,653,676</b>	<b>1,306,788,621</b>	<b>2,115,215,422</b>	<b>1,261,426,150</b>
Other receivables and prepayments	10	2,961	211,846	27,871,120	28,066,257
Income tax receivable	6	1,042	521	-	-
Cash and cash equivalents		94,451,901	6,794,714	94,397,836	6,794,489
<b>Total current assets</b>		<b>94,455,904</b>	<b>7,007,081</b>	<b>122,268,956</b>	<b>34,860,746</b>
<b>Total assets</b>		<b>2,232,109,580</b>	<b>1,313,795,702</b>	<b>2,237,484,378</b>	<b>1,296,286,896</b>

These consolidated and separate financial statements have been approved and authorised for issue by the Board of directors on ..... 04. AUG 2017 ..... and signed on its behalf by

  
.....  
Director

  
.....  
Director

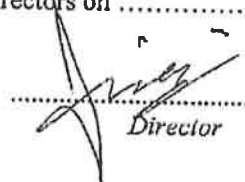
**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of financial position (continued)**  
as at 31 March 2017

	Note	The Group		The Company	
		2017 USD	2016 USD	2017 USD	2016 USD
<b>Equity</b>					
Stated capital	11	35,948,227	35,948,227	35,948,227	35,948,227
Other reserve		138,244,014	24,347,358	113,896,656	-
Treasury shares	12	(5,858,746)	(11,856,642)	(5,858,746)	(11,856,642)
Translation reserves		(1,372,490)	(1,405,416)	-	-
Revaluation reserves		1,664,087,152	1,018,660,405	1,782,194,212	1,138,987,524
Revenue reserves		221,197,507	219,645,850	157,283,864	121,004,785
<b>Total equity attributable to owners of the Company</b>		<b>2,052,245,664</b>	<b>1,285,339,782</b>	<b>2,083,464,213</b>	<b>1,284,083,894</b>
<b>Non-controlling interests</b>	13	<b>25,746,046</b>	<b>16,239,428</b>	-	-
<b>Total equity</b>		<b>2,077,991,710</b>	<b>1,301,579,210</b>	<b>2,083,464,213</b>	<b>1,284,083,894</b>
<b>Non-current liabilities</b>					
Bonds payable	15	-	3,011,449	-	3,011,449
Loan	16	150,000,000	-	150,000,000	-
<b>Total non-current liabilities</b>		<b>150,000,000</b>	<b>3,011,449</b>	<b>150,000,000</b>	<b>3,011,449</b>
<b>Current liabilities</b>					
Bonds payable	15	3,436,136	3,070,162	3,436,136	3,070,162
Other payables	14	681,734	6,134,881	584,029	6,121,391
<b>Total current liabilities</b>		<b>4,117,870</b>	<b>9,205,043</b>	<b>4,020,165</b>	<b>9,191,553</b>
<b>Total liabilities</b>		<b>154,117,870</b>	<b>12,216,492</b>	<b>154,020,165</b>	<b>12,203,002</b>
<b>Total equity and liabilities</b>		<b>2,232,109,580</b>	<b>1,313,795,702</b>	<b>2,237,484,378</b>	<b>1,296,286,896</b>

These Consolidated and separate financial statements have been approved and authorised for issue by the

Board of directors on ..... 04 AUG 2017 ..... and signed on its behalf by

  
.....  
Director

  
.....  
Director

**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of changes in equity  
for the year ended 31 March 2017**

	← Attributable to owners of the Company →							Non - controlling interests USD	Total equity USD
	Stated capital USD	Other reserve USD	Treasury shares USD	Translation reserve USD	Revaluation Reserves USD	Revenue reserve USD	Total USD		
Balance at 1 April 2015	35,948,227	24,347,358	(11,881,167)	(1,324,949)	1,010,417,719	173,831,493	1,231,338,681	15,537,450	1,246,876,131
<b>Total comprehensive income</b>									
Profit for the year	-	-	-	-	-	47,180,644	47,180,644	71,711	47,252,355
Other comprehensive income	-	-	-	(80,467)	8,242,686	-	8,162,219	705,143	8,867,362
	35,948,227	24,347,358	(11,881,167)	(1,405,416)	1,018,660,405	221,012,137	1,286,681,544	16,314,304	1,302,995,848
<b>Transactions with owners of the Company</b>									
Contributions and distributions									
Shares bought back	-	-	(2000)	-	-	(5,000)	(7,000)	-	(7,000)
Current year dividend paid	-	-	-	-	-	(1,445,495)	(1,445,495)	(74,876)	(1,520,371)
Dividend prior year	-	-	-	-	-	(466)	(466)	-	(466)
Bonds recalculation	-	-	-	-	-	38,247	38,247	-	38,247
Reclassification of dividend payable	-	-	-	-	-	72,952	72,952	-	72,952
Prior year adjustment	-	-	26,525	-	-	(26,525)	-	-	-
<b>Total contributions and distributions</b>	-	-	24,525	-	-	(1,366,287)	(1,341,762)	(74,876)	(1,416,638)
<b>Balance at 31 March 2016</b>	35,948,227	24,347,358	(11,856,642)	(1,405,416)	1,018,660,405	219,645,850	1,285,339,782	16,239,428	1,301,579,210

**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of changes in equity (continued)  
for the year ended 31 March 2017**

	Attributable to owners of the Company							Non - controlling interests USD	Total equity USD
	Stated capital USD	Other reserve USD	Treasury shares USD	Translation reserve USD	Revaluation Reserves USD	Revenue reserve USD	Total USD		
Balance at 1 April 2016	35,948,227	24,347,358	(11,856,642)	(1,405,416)	1,018,660,405	219,645,850	1,285,339,782	16,239,428	1,301,579,210
<b>Total comprehensive income</b>	-	-	-	-	-	3,125,455	3,125,455	76,709	3,202,164
Profit for the year	-	-	-	32,926	645,426,747	-	645,459,673	9,510,279	654,969,952
Other comprehensive income	-	-	-	-	-	-	-	-	-
	35,948,227	24,347,358	(11,856,642)	(1,372,490)	1,664,087,152	222,771,305	1,933,924,910	25,826,416	1,959,751,326
<b>Transactions with owners of the Company</b>									
Contributions and distributions									
Shares bought back	-	-	(20,000)	-	-	(60,000)	(80,000)	-	(80,000)
Current year dividend paid	-	-	-	-	-	(1,444,595)	(1,444,595)	(80,370)	(1,524,965)
Dividend prior year	-	-	-	-	-	(4,370)	(4,370)	-	(4,370)
Bonds recalculation	-	-	-	-	-	3,750	3,750	-	3,750
Reclassification of dividend payable	-	-	-	-	-	(68,583)	(68,583)	-	(68,583)
Right issue	-	114,340,024	6,017,896	-	-	-	120,357,920	-	120,357,920
Capitalisation of expenses	-	(443,368)	-	-	-	-	(443,368)	-	(443,368)
	-	113,896,656	5,997,896	-	-	(1,573,798)	118,320,754	(80,370)	118,240,384
<b>Total contributions and distributions</b>									
Balance at 31 March 2017	35,948,227	138,244,014	(5,858,746)	(1,372,490)	1,664,087,152	221,197,507	2,052,245,664	25,746,046	2,077,991,710



**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of changes in equity (continued)  
for the year ended 31 March 2017**

**The Company**

	Stated capital USD	Treasury shares USD	Revaluation reserve USD	Revenue reserve USD	Total equity USD
Balance at 1 April 2015	35,948,227	(11,881,167)	1,130,797,786	75,247,332	1,230,112,178
<b>Total comprehensive income for the year</b>	-	-	-	47,123,740	47,123,740
Profit for the year	-	-	-	47,123,740	47,123,740
<b>Other comprehensive income</b>	-	-	8,189,738	-	8,189,738
Unrealised gain on revaluation of investments	-	-	8,189,738	-	8,189,738
<b>Transactions with owners of the Company</b>	-	(2,000)	-	(5,000)	(7,000)
Contributions and distributions	-	-	-	(1,445,495)	(1,445,495)
Shares bought-back	-	-	-	38,247	38,247
Current year dividend paid	-	-	-	(466)	(466)
Bonds recalled	-	-	-	72,952	72,952
Dividend prior year	-	-	-	(26,525)	-
Reclassification of dividend payable	-	26,525	-	-	-
Prior year adjustment	-	-	-	-	-
<b>Balance at 31 March 2016</b>	<b>35,948,227</b>	<b>(11,856,642)</b>	<b>1,138,987,524</b>	<b>121,004,785</b>	<b>1,284,083,894</b>

**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of changes in equity (continued)  
for the year ended 31 March 2017**

**The Company (continued)**

	Stated capital USD	Treasury shares USD	Revaluation reserve USD	Revenue reserve USD	Other reserve USD	Total equity USD
<b>Balance at 1 April 2016</b>	35,948,227	(11,856,642)	1,138,987,524	121,004,785	-	1,284,083,894
<b>Total comprehensive income for the year</b>	-	-	-	37,852,877	-	37,852,877
Profit for the year	-	-	-	37,852,877	-	37,852,877
<b>Other comprehensive income</b>	-	-	643,206,688	-	-	643,206,688
Unrealised gain on revaluation of investments	-	-	643,206,688	-	-	643,206,688
<b>Transactions with owners of the Company</b>	-	-	-	-	-	-
<b>Contributions and distributions</b>	-	(20,000)	-	(60,000)	-	(80,000)
Shares bought-back	-	(20,000)	-	(60,000)	-	(80,000)
Current year dividend paid	-	-	-	(1,444,595)	-	(1,444,595)
Bonds recalled	-	-	-	3,750	-	3,750
Dividend prior year	-	-	-	(4,370)	-	(4,370)
Reclassification of dividend payable	-	-	-	(68,583)	-	(68,583)
Right issue	-	6,017,896	-	-	114,340,024	120,357,920
Capitalisation of expenses	-	-	-	-	(443,368)	(443,368)
<b>Balance at 31 March 2017</b>	<b>35,948,227</b>	<b>(5,858,746)</b>	<b>1,782,194,212</b>	<b>157,283,864</b>	<b>113,896,656</b>	<b>2,083,464,213</b>

## IndusInd International Holdings Ltd and its subsidiaries

### Consolidated and separate statements of cash flows for the year ended 31 March 2017

	The Group		The Company	
	2017	2016	2017	2016
	USD	USD	USD	USD
<b>Cash flows from operating activities</b>				
Profit for the year	3,202,164	47,252,355	37,852,877	47,123,740
<i>Adjustments for:</i>				
Interest income	(1,049,277)	(111,228)	(1,049,215)	(110,834)
Interest expense	2,961,794	1,983	2,961,794	1,983
Dividend income	(5,912,090)	(5,439,739)	(5,813,844)	(5,364,863)
Realised gain on disposal of investment	-	(42,228,241)	(34,767,067)	(42,228,241)
Share of profit of associate (net of tax)	(109,587)	(109,852)	-	-
Taxation	42,063	39,312	-	-
	(864,933)	(595,410)	(815,455)	(578,215)
Change in other receivables and prepayments	208,885	(203,516)	195,137	(28,049,981)
Change in other payables	(5,533,516)	2,522,895	(5,537,362)	1,494,031
<b>Cash (used in) / generated from operating activities</b>	(6,189,564)	1,723,969	(6,157,680)	(27,134,165)
Income tax paid	(42,584)	(73,463)	-	-
Interest paid	(2,961,794)	(1,983)	(2,961,794)	(1,983)
<b>Net cash (used in) / generated from operating activities</b>	(9,193,942)	1,648,523	(9,119,474)	(27,136,148)
<b>Cash flows from investing activities</b>				
Interest received	1,049,277	111,228	1,049,215	110,834
Dividend received	5,912,090	5,439,739	5,813,844	5,364,863
Acquisition of investments	(175,785,517)	(118,098,184)	(175,815,517)	(89,276,468)
Disposal proceeds of investments	-	113,905,512	-	113,905,512
<b>Net cash from investing activities</b>	(168,824,150)	1,358,295	(168,952,458)	30,104,741
<b>Cash flows from financing activities</b>				
Dividend paid	(1,444,595)	(1,520,375)	(1,444,595)	(1,445,495)
Prior year dividends paid	(4,370)	(466)	(4,370)	(466)
Payment on buy-back of shares	(80,000)	(7,000)	(80,000)	(7,000)
Re-classification of dividend payable	(68,583)	72,952	(68,583)	72,952
Payment of Bonds	(2,641,725)	(2,995,384)	(2,641,725)	(2,995,384)
Loan proceeds	150,000,000	-	150,000,000	-
Right issue	120,357,920	-	120,357,920	-
Right issue expenses	(443,368)	-	(443,368)	-
<b>Net cash flow used in financing activities</b>	265,675,279	(4,450,273)	265,675,279	(4,375,393)
<b>Net decrease in cash and cash equivalents</b>	87,657,187	(1,443,455)	87,603,347	(1,406,800)
Cash and cash equivalent at 1 April	6,794,714	8,238,169	6,794,489	8,201,289
<b>Cash and cash equivalent at 31 March</b>	<b>94,451,901</b>	<b>6,794,714</b>	<b>94,397,836</b>	<b>6,794,489</b>

**IndusInd International Holdings Ltd and its subsidiary**

**Consolidated and separate statement of profit or loss and other comprehensive income  
for the year ended 31 March 2016**

	Note	The Group		The Company	
		2016 USD	2015 USD	2016 USD	2015 USD
Revenue	4	5,447,100	4,774,577	5,371,624	4,662,587
Administration expenses		(567,236)	(681,456)	(550,417)	(667,374)
		<u>4,879,864</u>	<u>4,093,121</u>	<u>4,821,207</u>	<u>3,995,213</u>
Realised gain		<u>42,228,241</u>	-	<u>42,228,241</u>	-
<b>Profit from operating activities</b>		<u>47,108,105</u>	<u>4,093,121</u>	<u>47,049,448</u>	<u>3,995,213</u>
Finance income	5	111,228	142,698	110,834	142,584
Finance costs	5	(37,518)	(47,614)	(36,542)	(46,894)
<b>Net finance income</b>	5	<u>73,710</u>	<u>95,084</u>	<u>74,292</u>	<u>95,690</u>
<b>Operating profit</b>		<u>47,181,815</u>	<u>4,188,205</u>	<u>47,123,740</u>	<u>4,090,903</u>
Share of profit of associate (net of tax)	7a	109,852	114,088	-	-
<b>Profit before taxation</b>		<u>47,291,667</u>	<u>4,302,293</u>	<u>47,123,740</u>	<u>4,090,903</u>
Taxation	6	(39,312)	(33,630)	-	-
<b>Profit for the year</b>		<u>47,252,355</u>	<u>4,268,663</u>	<u>47,123,740</u>	<u>4,090,903</u>
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences		(80,467)	(66,564)	-	-
Net change in fair value of available for sale financial assets.		8,947,830	444,054,169	8,189,738	437,797,767
<b>Other comprehensive income for the year, net of income tax</b>		<u>8,867,363</u>	<u>443,987,605</u>	<u>8,189,738</u>	<u>437,797,767</u>
<b>Total comprehensive income for the year</b>		<u>56,119,718</u>	<u>448,256,268</u>	<u>55,313,478</u>	<u>441,888,670</u>

## IndusInd International Holdings Ltd and its subsidiary

Consolidated and separate statement of profit or loss and other comprehensive income (continued)  
for the year ended 31 March 2016

	The Group		The Company	
	2016	2015	2016	2015
	USD	USD	USD	USD
<b>Profit attributable to:</b>				
Owners of the Company	47,180,644	4,207,330	47,123,740	4,090,903
Non-controlling interests	71,711	61,333	-	-
	<u>47,252,355</u>	<u>4,268,663</u>	<u>47,123,740</u>	<u>4,090,903</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	55,342,863	441,936,194	55,313,478	441,888,670
Non-controlling interests	776,855	6,320,074	-	-
	<u>56,119,718</u>	<u>448,256,268</u>	<u>55,313,478</u>	<u>441,888,670</u>

**IndusInd International Holdings Ltd and its subsidiary**

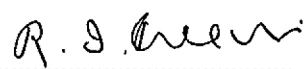
**Consolidated and separate statement of financial position**  
at 31 March 2016

	Note	The Group		The Company	
		2016	2015	2016	2015
		USD	USD	USD	USD
<b>Assets</b>					
Investments in subsidiary	9	-	-	271,697,047	259,952,590
Investments in associate	7	1,504,620	1,475,235	248,930	248,930
Other investments	8	1,305,284,001	1,249,915,258	989,480,173	975,435,695
<b>Total non-current assets</b>		<b>1,306,788,621</b>	<b>1,251,390,493</b>	<b>1,261,426,150</b>	<b>1,235,637,215</b>
Other receivables and prepayments	10	211,846	8,330	28,066,257	16,278
Income tax receivable	6	521	-	-	-
Cash and cash equivalents		6,794,714	8,448,827	6,794,489	8,411,947
<b>Total current assets</b>		<b>7,007,081</b>	<b>8,457,157</b>	<b>34,860,746</b>	<b>8,428,225</b>
<b>Total assets</b>		<b>1,313,795,702</b>	<b>1,259,847,650</b>	<b>1,296,286,896</b>	<b>1,244,065,440</b>

These consolidated and separate financial statements have been approved by the Board on

11 JUN 2016

..... and signed on its behalf by

  
.....  
Director

  
.....  
Director

**IndusInd International Holdings Ltd and its subsidiary**

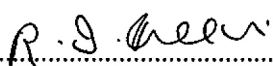
**Consolidated and separate statement of financial position (continued)**  
at 31 March 2016


	Note	The Group		The Company	
		2016	2015	2016	2015
		USD	USD	USD	USD
<b>Equity</b>					
Stated capital	11	35,948,227	35,948,227	35,948,227	35,948,227
Other reserve		24,347,358	24,347,358	-	-
Treasury shares	12	(11,856,642)	(11,881,167)	(11,856,642)	(11,881,167)
Translation reserves		(1,405,416)	(1,324,949)	-	-
Revaluation reserves		1,018,660,405	1,010,417,719	1,138,987,524	1,130,797,786
Revenue reserves		219,645,850	173,831,493	121,004,785	75,247,332
<b>Total equity attributable to owners of the Company</b>		<b>1,285,339,782</b>	<b>1,231,338,681</b>	<b>1,284,083,894</b>	<b>1,230,112,178</b>
<b>Non-controlling interests</b>		<b>16,239,428</b>	<b>15,537,450</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>1,301,579,210</b>	<b>1,246,876,131</b>	<b>1,284,083,894</b>	<b>1,230,112,178</b>
<b>Non-current liability</b>					
Bonds payable	14	3,011,449	6,048,397	3,011,449	6,048,397
<b>Current liabilities</b>					
Bank overdraft		-	210,658	-	210,658
Bonds payable	14	3,070,162	3,066,848	3,070,162	3,066,848
Other payables	13	6,134,881	3,611,986	6,121,391	4,627,359
Income tax payable	6	-	33,630	-	-
<b>Total current liabilities</b>		<b>9,205,043</b>	<b>6,923,122</b>	<b>9,191,553</b>	<b>7,904,865</b>
<b>Total liabilities</b>		<b>12,216,492</b>	<b>12,971,519</b>	<b>12,203,002</b>	<b>13,953,262</b>
<b>Total equity and liabilities</b>		<b>1,313,795,702</b>	<b>1,259,847,650</b>	<b>1,296,286,896</b>	<b>1,244,065,440</b>

These Consolidated and separate financial statements have been approved by the Board on

11 JUN 2016

..... and signed on its behalf by

  
.....  
Director

  
.....  
Director

**IndusInd International Holdings Ltd and its subsidiary**

**Consolidated and separate statement of changes in equity  
for the year ended 31 March 2016**

	←----- Attributable to owners of the Company ----->							Non - controlling interests USD	Total equity USD
	Stated capital USD	Other reserve USD	Treasury shares USD	Translation reserve USD	Revaluation Reserves USD	Revenue reserve USD	Total USD		
Balance at 1 April 2014 - As restated	35,948,227	24,347,358	(11,781,167)	(1,258,385)	572,622,291	184,403,595	804,281,919	9,278,570	813,560,489
Total comprehensive income	-	-	-	-	-	4,207,330	4,207,330	61,333	4,268,663
Profit for the year	-	-	-	(66,564)	437,795,428	-	437,728,864	6,258,741	443,987,605
Other comprehensive income	-	-	-	-	-	-	-	-	-
	35,948,227	24,347,358	(11,781,167)	(1,324,949)	1,010,417,719	188,610,925	1,246,218,113	15,598,644	1,261,816,757
<b>Transactions with owners of the Company</b>									
<b>Contributions and distributions</b>									
Shares bought back	-	-	(100,000)	-	-	(250,000)	(350,000)	-	(350,000)
Current year dividend paid	-	-	-	-	-	(2,419,359)	(2,419,359)	(61,194)	(2,480,553)
Dividend prior year	-	-	-	-	-	(13,280)	(13,280)	-	(13,280)
Bonus bonds	-	-	-	-	-	(12,096,793)	(12,096,793)	-	(12,096,793)
<b>Total contributions and distributions</b>	-	-	(100,000)	-	-	(14,779,432)	(14,879,432)	(61,194)	(14,940,626)
<b>Balance at 31 March 2015</b>	35,948,227	24,347,358	(11,881,167)	(1,324,949)	1,010,417,719	173,831,493	1,231,338,681	15,537,450	1,246,876,131



**IndusInd International Holdings Ltd and its subsidiary**

**Consolidated and separate statement of changes in equity (continued)  
for the year ended 31 March 2016**

	←----- Attributable to owners of the Company -----→							Non - controlling interests USD	Total equity USD
	Stated capital USD	Other reserve USD	Treasury shares USD	Translation reserve USD	Revaluation Reserves USD	Revenue reserve USD	Total USD		
Balance at 1 April 2015	35,948,227	24,347,358	(11,881,167)	(1,324,949)	1,010,417,719	173,831,493	1,231,338,681	15,537,450	1,246,876,131
Total comprehensive income	-	-	-	-	-	47,180,644	47,180,644	71,711	47,252,355
Profit for the year	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	(80,467)	8,242,686	-	8,162,219	705,143	8,867,362
	<u>35,948,227</u>	<u>24,347,358</u>	<u>(11,881,167)</u>	<u>(1,405,416)</u>	<u>1,018,660,405</u>	<u>221,012,137</u>	<u>1,286,681,544</u>	<u>16,314,304</u>	<u>1,302,995,848</u>
Transactions with owners of the Company									
Contributions and distributions									
Shares bought back	-	-	(2000)	-	-	(5,000)	(7,000)	-	(7,000)
Current year dividend paid	-	-	-	-	-	(1,445,495)	(1,445,495)	(74,876)	(1,520,371)
Dividend prior year	-	-	-	-	-	(466)	(466)	-	(466)
Bonds recalculation	-	-	-	-	-	38,247	38,247	-	38,247
Reclassification of dividend payable	-	-	-	-	-	72,952	72,952	-	72,952
Prior year adjustment	-	-	26,525	-	-	(26,525)	-	-	-
	<u>-</u>	<u>-</u>	<u>24,525</u>	<u>-</u>	<u>-</u>	<u>(1,366,287)</u>	<u>(1,341,762)</u>	<u>(74,876)</u>	<u>(1,416,638)</u>
Total contributions and distributions									
Balance at 31 March 2016	<u>35,948,227</u>	<u>24,347,358</u>	<u>(11,856,642)</u>	<u>(1,405,416)</u>	<u>1,018,660,405</u>	<u>219,645,850</u>	<u>1,285,339,782</u>	<u>16,239,428</u>	<u>1,301,579,210</u>

**IndusInd International Holdings Ltd and its subsidiary**

**Statement of changes in equity (continued)**  
*for the year ended 31 March 2016*

**The Company**

	Stated capital USD	Treasury shares USD	Revaluation reserve USD	Revenue reserve USD	Total equity USD
Balance at 1 April 2014	35,948,227	(11,781,167)	693,000,019	85,935,861	803,102,940
<b>Total comprehensive income for the year</b>	-	-	-	4,090,903	4,090,903
Profit for the year					
<b>Other comprehensive income</b>					
Unrealised gain on revaluation of investments	-	-	437,797,767	-	437,797,767
<b>Transactions with owners of the Company</b>					
<b>Contributions and distributions</b>					
Shares bought-back	-	(100,000)	-	(250,000)	(350,000)
Current year dividend paid	-	-	-	(2,419,359)	(2,419,359)
Bonds payable	-	-	-	(12,096,793)	(12,096,793)
Dividend prior year	-	-	-	(13,280)	(13,280)
<b>Balance at 31 March 2015</b>	<u>35,948,227</u>	<u>(11,881,167)</u>	<u>1,130,797,786</u>	<u>75,247,332</u>	<u>1,230,112,178</u>

**IndusInd International Holdings Ltd and its subsidiary**

**Statement of changes in equity (continued)  
for the year ended 31 March 2016**

**The Company (continued)**

	Stated capital USD	Treasury shares USD	Revaluation reserve USD	Revenue reserve USD	Total equity USD
Balance at 1 April 2015	35,948,227	(11,881,167)	1,130,797,786	75,247,332	1,230,112,178
<b>Total comprehensive income for the year</b>	-	-	-	47,123,740	47,123,740
<b>Other comprehensive income</b>	-	-	8,189,738	-	8,189,738
Unrealised gain on revaluation of investments	-	-	8,189,738	-	8,189,738
<b>Transactions with owners of the Company</b>					
<b>Contributions and distributions</b>					
Shares bought-back	-	(2,000)	-	(5,000)	(7,000)
Current year dividend paid	-	-	-	(1,445,495)	(1,445,495)
Bonds recalled	-	-	-	38,247	38,247
Dividend prior year	-	-	-	(466)	(466)
Reclassification of dividend payable	-	-	-	72,952	72,952
Prior year adjustment	-	26,525	-	(26,525)	-
<b>Balance at 31 March 2016</b>	<b>35,948,227</b>	<b>(11,856,642)</b>	<b>1,138,987,524</b>	<b>121,004,785</b>	<b>1,284,083,894</b>

**IndusInd International Holdings Ltd and its subsidiary**

**Consolidated and separate statement of cash flows**  
for the year ended 31 March 2016

	The Group		The Company	
	2016	2015	2016	2015
	USD	USD	USD	USD
<b>Cash flows from operating activities</b>				
Profit for the year	47,252,355	4,268,663	47,123,740	4,090,903
<i>Adjustments for:</i>				
Interest income	(111,228)	(141,795)	(110,834)	(141,681)
Dividend income	(5,439,739)	(4,653,810)	(5,364,863)	(4,541,820)
Realised gain on disposal of Investment	(42,228,241)	-	(42,228,241)	-
Interest expense	-	16,339	-	-
Share of profit of associate (net of tax)	(109,852)	(114,088)	-	-
Taxation	39,312	33,630	-	-
	(597,393)	(591,061)	(580,198)	(592,598)
Change in other receivables and prepayments	(203,516)	30,442	(28,049,981)	25,489
Change in other payables	2,522,895	1,502,254	1,494,031	1,523,411
<b>Cash generated from / (used in) operating activities</b>	1,721,986	941,635	(27,136,148)	956,302
Income tax(paid)/ refund	(73,463)	541	-	-
Interest paid	-	(681)	-	-
<b>Net cash from / (used in) operating activities</b>	1,648,523	941,495	(27,136,148)	956,302
<b>Cash flows from investing activities</b>				
Interest received	111,228	141,795	110,834	141,681
Dividend received	5,439,739	4,653,810	5,364,863	4,541,820
Acquisition of investments	(118,098,184)	-	(89,276,468)	-
Disposal proceeds of Investments	113,905,512	-	113,905,512	-
<b>Net cash from investing activities</b>	1,358,295	4,795,605	30,104,741	4,683,501
<b>Cash flows from financing activities</b>				
Dividend paid	(1,520,375)	(2,480,553)	(1,445,495)	(2,419,359)
Prior year dividends paid	(466)	(13,280)	(466)	(13,280)
Payment on buy-back of shares	(7,000)	(350,000)	(7,000)	(350,000)
Re-classification of dividend payable	72,952	-	72,952	-
Payment of Bonds	(2,995,384)	(2,981,550)	(2,995,384)	(2,981,548)
<b>Net cash flow used in financing activities</b>	(4,450,273)	(5,825,383)	(4,375,393)	(5,764,187)
<b>Net decrease in cash and cash equivalents</b>	(1,443,455)	(88,283)	(1,406,800)	(124,384)
Cash and cash equivalent at 1 April	8,238,169	8,326,452	8,201,289	8,325,673
Cash and cash equivalent at 31 March	6,794,714	8,238,169	6,794,489	8,201,289

## **DIVIDENDS AND DIVIDEND POLICY**

The payment of dividends is subject to the company satisfying Section 63 of the Act which requires payment of dividend to be made out of retained earnings after having made good any accumulated losses at the beginning of the accounting period. The Company has not adopted any dividend policy. There are no existing arrangements under which future dividends are waived or agreed to be waived. The declaration and payment of dividend are governed by the applicable provisions of the Act and the Constitution and will depend on a number of other factors, including but not limited to the results of operations, financial condition, capital requirements and surplus, contractual restrictions and other factors considered relevant by our Board.

## RISK FACTORS

An investment in equity securities involves a high degree of risk. You should carefully consider all the information in this Offer Document, including the risks and uncertainties summarised below before making an investment in the Tranche 2 New Ordinary Equity Shares. The risks described below together with other information contained in this Offer Document should be carefully considered by the prospective Applicants before making an investment decision. The risks described below are not the only risks which are relevant to our Company or investments in securities of Mauritius issuers. The risks described below have not been arranged in any particular order of importance. Additional risks not presently known to us or that we currently deem immaterial may also adversely affect our business operations. Our business, financial condition or results of operations could be materially and adversely affected by any of these risks, and all or part of your investment may be lost. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein.

### Internal Risks

***The success rate of our business depends on the performance of our investee companies. Any adverse performance of any of our investee companies including our subsidiary may adversely impact our business and financial conditions.***

Our business primarily involves making of investments. Consequently, our revenues and success of business depends on the performance of our investee companies. We cannot assure you whether our investee companies will perform positively or that we will be able to always identify companies to make investments which could be profitable. Our investments involve a high degree of risk. Any adverse performance of any of our investee companies including our subsidiaries may adversely impact our business and financial conditions.

***We may not be able to liquidate some or all of our investments in our investee companies which may adversely affect the value of our investments and our results of operations.***

Our Company, *inter alia*, holds investments in unlisted securities which may remain illiquid. Additionally, some of our holdings may become subject to restrictions such as those in relation to repatriation of funds, selling restrictions such as lock-in requirements under the provisions of applicable laws that may affect the liquidity of our investments.

***We generate our revenues primarily from dividend income. Any event that may affect the possibility of our investee companies to declare dividends could have a material adverse effect on our overall financial condition.***

We generate a significant amount of our revenues from dividends received from our investee companies. If any of our investee companies experience any event which negatively affects the financial conditions of our investee companies including, such as a local economic downturn, a natural disaster or a terrorist attack, or if the local authorities adopt regulations that place additional restrictions or burdens on us in continuing our investments in the respective jurisdictions, our overall business and financial condition may be materially and adversely affected.

***Stock market fluctuations or volatility and other factors in respect of our investee companies may result in a decrease in the valuation of our Company.***

Stock markets have experienced volatility that has often been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of our listed investee companies, which may result in an adverse impact on the valuation of the Company.

***Our ability to pay dividends will depend upon future earnings, financial conditions, capital requirements and other factors.***

The declaration of dividends by our Board of Directors is at its sole discretion, and the amount of our future dividend payments, if any, will depend upon a number of factors, including our future earnings, financial conditions, capital requirements and other factors. There can be no assurance that we shall have distributable funds or that we will declare dividends in the future. The terms of financing we have obtained and any financing we may obtain in the future, may contain restrictive covenants which may also affect some of the rights of our Shareholders, including the payment of the dividend.

***The Ordinary Equity Shares may remain illiquid and subject to investment and selling restrictions in various jurisdictions.***

The Ordinary Equity Shares are not listed on any stock exchange. Till such time as the Ordinary Equity Shares remain unlisted or any time thereafter, our Shareholders may experience lack of liquidity in trading of the Ordinary Equity Shares.

The Ordinary Equity Shares are subject to investment restrictions in various jurisdictions that may affect your ability to subscribe to the Tranche 2 New Ordinary Equity Shares. Investors shall only be permitted to purchase/ invest in the Tranche 2 New Ordinary Equity Shares to the extent permissible under applicable law. Investors are advised to exercise caution in relation to responding to the offer to subscribe to the Tranche 2 New Ordinary Equity Shares. Investors are also advised to consult, under strict confidentiality obligations, with their independent financial, legal and tax advisers on their eligibility to participate in this Issue under the relevant laws that may be applicable to the Investors and, therefore, the Investors shall be liable for any of their financial, legal and tax consequences which may arise from their subscription of the Tranche 2 New Ordinary Equity Shares. Additionally, there may be selling restrictions applicable on the holders of the Tranche 2 New Ordinary Equity Shares depending on applicable laws as a consequence of which the Tranche 2 New Ordinary Equity Shares may remain illiquid.

***The deployment of Net Proceeds is entirely at our discretion and as per the details mentioned in the chapter titled “Objects of the Issue”. Any revision or alterations in the deployment of the Net Proceeds may require us to reschedule our proposed use of the Net Proceeds and may have a bearing on our expected revenues and earnings.***

Our funding requirements and the deployment of the Net Proceeds are based on management estimates are subject to the management’s discretion. We may have to revise our management estimates from time to time and consequently our funding requirements may also change. Our estimates for the proposed deployment of Net Proceeds may exceed the value that we have determined and may require us to reschedule our proposed deployment of Net Proceeds that may have a bearing on our expected revenues and earnings. Further, the deployment of Net Proceeds towards the objects of the Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency.

***Our business may require us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities at various jurisdictions and the failure to obtain and renew them in a timely manner or to comply with applicable law may adversely affect our business operations.***

Our business operations require us to obtain and renew from time to time, certain approvals, licenses, registrations and permits such as the Category 1 Global Business license issued by the FSC. We cannot assure you that we will be able to obtain approvals, on terms and conditions favourable to our business or at all, in respect of such applications or any application made by us in the future including those in filed in relation to any changes in the applicable laws. If we fail to maintain such registrations and licenses or comply with applicable conditions, or a regulator claims that we have not complied, with such conditions, our certificate of registration for carrying on a particular activity may be suspended and/or cancelled and we will not then be able to carry on such activity. Further, the Company may not be in compliance with all laws and regulations applicable to it under the jurisdiction in which it operates. In the event the Company is found not to be in compliance with any law or regulation applicable to it under the jurisdiction in which it operates, a penalty, fine or such other imposition could be imposed on the Company, which could have an adverse impact on our business, financial condition and results of operations.

***We have not obtained any insurance cover to protect us from losses and may in turn adversely affect our financial condition.***

Our Company believes that it does not require any insurance coverage considering that our Company is primarily an investing company. To the extent that we suffer loss or damage that is not covered by insurance, our cash flow may be affected.

***Our Company has in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.***

Our Company has entered into related party transactions in the past. While our Company believes that all such transactions have been conducted on an arm’s length basis and are accounted as per the applicable accounting practices, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition. For further details, please refer to the section titled ‘Financial Information’ beginning on page number F-1 of the Offer Document.

***Our business is not manpower-intensive and we depend on our service providers for administrative operations. Any inability or failure on our part to timely recruit fresh talent as may be required in the future could have an adverse effect on our business.***

Typically, our Company does not require significant manpower for its operations. Our business development and investment strategy in the future may require us to hire personnel for its operations. We may face an inability or failure on our part to timely recruit fresh talent or renew our relations with our existing service providers, as may be required in the future, may adversely affect the conduct of operations and our business.

***An adverse outcome in legal and regulatory proceedings, if any, involving our Company may adversely affect our Company.***

An adverse outcome in legal and regulatory proceedings, if any, involving our Company may adversely affect our Company. We cannot assure you that any of these matters will be decided in favour of our Company, or that no additional liability or penalty will arise out of these proceedings. Decisions in any of the proceedings involving our Company adverse to our interest may have a material adverse effect on our business, reputation and results of operations. If any new developments arise, such as a change in applicable law or an adverse judgment in any of these proceedings, individually or in aggregate, it could result in monetary and/or reputational losses and we may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

***Our Corporate Office is not owned by us and we only have a rental arrangement in respect of this property. In the event we are unable to renew the rental arrangement, or if such arrangement is terminated, we may suffer an adverse effect on our operations.***

The Corporate Office used by our Company is taken on rental basis. Upon the termination of the rental arrangement, we are required to return the said premises to the landlord. The term of the arrangement may or may not be renewed. In the event the landlord terminates or does not renew the rental arrangement on commercially acceptable terms, or at all,

we shall be required to vacate such premises. We may be required to identify alternative premises and enter into fresh rental arrangements. Such a situation could adversely affect our operations.

***The Company has obtained financing from financial institutions, on certain terms and conditions imposing obligations on the Company, including certain restrictive covenants and negative covenants on the Company. Any premature recall of outstandings of the present financing, may have an adverse impact on the financial position of Company.***

The Company has obtained financing from financial institutions and entered into financing documents with such financial institutions under which, the Company is under various obligations, including the obligation to abide by certain restrictive covenants and negative covenants. Any premature recall of the outstandings owed by the Company (including arising out of breach of the obligations imposed on the Company under such financing documents resulting in an event of default or a potential event of default) could have an adverse impact on the financial position of the Company.

***The growth of our business may require us to obtain further financing, which we may not be able to obtain on reasonable terms or at all. We may also require further equity issuances, which may lead to dilution of other Shareholders and may affect the valuation of our equity securities. We may need to raise additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure on acceptable terms or at all.***

Our expansion of business is, *inter alia*, dependent on having a strong balance sheet to support our investment activities. In addition to the Net Proceeds and our revenues, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional debt or equity in the capital markets. We may need to raise additional capital from time to time, depending on business conditions. The factors that would require us to raise additional capital could be business growth beyond what our current balance sheet can sustain; additional capital requirements imposed due to changes in the regulatory regime or new guidelines; or significant depletion in our existing capital base due to unusual losses. Any fresh issue of shares or convertible securities would dilute existing shareholding, and such issuance may not be done at terms and conditions that are favourable to the Shareholders.

If we decide to raise additional funds through the incurrence of debt, our interest obligations will increase and we may be subject to additional covenants. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. The cost and availability of debt capital depends in part on our credit ratings. Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. Certain factors that influence our credit ratings may be outside of our control. Any downgrade in our credit ratings could increase borrowing costs and adversely affect our access to capital and lending markets and could affect our interest margins, business, results of operations and financial condition. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our investment plans. Our business and future results of operations may be adversely affected if we delay or are unable to implement our expansion strategy.

***The Company is an investment company under the Investment Company Act and is relying on the exemption provided by Section 3(c)(1) of the Investment Company Act. The Company is not offering the Tranche 2 New Ordinary Shares in the United States or to U.S. persons and it has imposed a prohibition on transferring the Tranche 2 New Ordinary Equity Shares issued in the Offer to persons in the United States or to U.S. persons.***

The Company is an “investment company” as defined in the Investment Company Act and has not been and will not be registered under the Investment Company Act. The Company is relying on the exemption from the registration requirements of the Investment Company Act provided by Section 3(c)(1) of that Act. If the Ordinary Shares and the Tranche 2 New Ordinary Equity Shares are held by more than 100 beneficial Shareholders in the United States, the Company would be required to register under the Investment Company Act, which would be very impractical and costly. Failure to register under the Investment Company Act when required to do so may lead to fines, penalties, recession rights for investors and other adverse consequences for the Company. The Company is not offering the Tranche 2 New Ordinary Shares in the United States or to U.S. persons and it has imposed a prohibition on transferring the Tranche 2 New Ordinary Equity Shares issued in the Offer to persons in the United States or to U.S. persons. The Tranche 2 New Ordinary Equity Shares purchased in the Offer will only be transferable in the manner described in “**Transfer Restrictions**”.

#### **Risks identified by our Auditors**

The Company has exposure to the following primary risks from its use of financial instruments:

##### ***Credit risk***

Credit risk represents the potential loss that the Company would incur if counter parties fail to perform pursuant to the terms of their obligations to the Company. The Company limits its credit risk by carrying out transactions only with its related parties. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated and separate statement of financial position.

##### ***Liquidity risk***

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they become due without incurring unacceptable losses or risking damage to the Company's reputation or legal action or all of the foregoing.



### **Market risk**

Market risk represents the potential loss that can be caused by a change in the market value of financial instruments. The Company's exposure to market risk is determined by a number of factors, including interest rates, foreign currency exchange rates and market volatility. The Company conducts its investment operations in a manner that seeks to exploit the potential gains in the market, while limiting its exposure to market declines.

### **Interest rate risk**

The Company finances its operation through retained profits at market interest rates. This strategy allows it to capitalise on cheaper funding and to manage the risk on an ongoing basis.

### **Currency risk**

The Company invests in financial assets and financial liabilities denominated in Indian Rupee. Consequently, the Company is exposed to the risk that the exchange rate of the USD relative to the INR may change in a manner that has a material effect on the reported values of the Company's financial assets and financial abilities, which are denominated in INR.

### **Equity price risk**

The Company is exposed to equity price risk, which arises from available-for-sale equity securities held for investments measured at fair value. The management of the Company monitors the proportion of equity securities in its investment portfolio based on market indices.

### **Capital management**

The Company's primary objectives when managing capital is to safeguard the Company's ability to continue as a going concern. The Company's sources of additional capital and policies for distribution of excess capital may also be affected by the Company's capital management objectives.

The Company defines 'capital' as including all components of equity. Trading balances that arise as a result of trading transactions with other group companies are not regarded by the Company as capital.

The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the group to which the Company belongs. Adjustments are made to the capital structure in light of changes in economic conditions affecting the company. The results of the Directors' review of the Company's capital structure are used as a basis for the determination of the level of dividends, if any, that are declared.

### **External Risks**

#### ***Change in law could have an adverse impact on the operations of the Company and the investment of the Shareholders in the Company.***

A change in applicable laws or regulations governing the Company or change in interpretation of applicable laws or regulations governing the Company may have an adverse impact on the rights of a Shareholder of the Company, including under this Offer Document, which may adversely affect the operations of the Company and the investment of Shareholders in the Company.

#### ***Conditions in the securities market may affect the price or liquidity of our investments.***

Some of our investments are listed on the stock exchanges. The relevant securities markets may be smaller than securities markets in more developed economies and the regulation and monitoring of such securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the more developed economies. Some stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities and volatility in the recent times. The stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of various stock exchanges have from time to time restricted securities from trading and limited price movements. A closure of, or trading stoppage on the stock exchanges where our investments are listed could adversely affect the value of our investments.

#### ***Terrorist attacks, civil unrests and other acts of violence or war involving could adversely affect the financial markets, our business and financial condition.***

Any major hostilities, including civil unrest or similar events that are beyond our control, could have a material adverse effect on the general global economy and our business. Incidents such as the Mumbai terrorist attacks, other incidents such as those in Indonesia, France, Turkey and London, and other acts of violence may adversely affect the stock markets where our Company holds investments. Such acts could negatively impact business sentiment as well as trade between countries, which could consequently adversely affect our Company's business and profitability.

Military activity or terrorist attacks could adversely affect the global economy by, for example, disrupting communications. Such events could also create a perception that investments in companies in such jurisdictions where our Company holds investments involve a higher degree of risk. Additionally, such events could have a material adverse effect on the market for securities of companies in such jurisdictions.

***Instability in financial markets could materially and adversely affect our results of operations and financial condition.***

The Indian economy (where our Company holds significant investments) and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the U.S. or Europe, may have a negative impact on the global economy. Although economic conditions differ in each country, investors' reaction to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in financial markets. Any prolonged financial crisis may have an adverse impact on the global economy and us, thereby resulting in a material and adverse effect on our business and financial condition.

***Global economic conditions have been unprecedented and continue to have, an adverse effect on the financial markets which may continue to have a material adverse effect on our financial conditions.***

Recent global market and economic conditions have been unprecedented and challenging with tighter credit conditions and an economic recession has been witnessed in most economies in the last decade. Continued concerns about the systemic impact of potential long-term and wide-spread economic recession, energy costs, geopolitical issues, the availability and cost of credit, among others have contributed to increased market volatility and diminished expectations for western and emerging economies. These conditions, combined with volatile oil prices, declining business and consumer confidence and increased unemployment, have contributed to volatility of unprecedented levels. As a result of these market conditions, the cost and availability of credit has been and may continue to be adversely affected by illiquid credit markets and wider credit spreads. Concern about the stability of the markets generally and the strength of counterparties specifically has led many lenders and institutional investors to reduce, and in some cases, cease to provide credit to businesses and consumers. These factors have led to a decrease in spending by businesses and consumers alike and corresponding decreases in global infrastructure spending and commodity prices. These market and economic conditions have an adverse effect on the global financial markets and may continue to have a material adverse effect on our business and financial performance.

***Rights of Shareholders under the Mauritius laws may be limited than under the laws of other jurisdictions.***

The Constitution, regulations of its Board of Directors and Mauritius law govern the corporate affairs of our Company. Legal principles relating to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and Shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Mauritius law may not be as extensive as Shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as Shareholders than as Shareholders of a corporation in another jurisdiction.

## BUSINESS

Our fiscal year ends on March 31 of each year, so all references to a particular Fiscal are to the twelve-month period ended March 31 of that year.

The financial figures used in this chapter, unless otherwise stated, have been derived from our Company's standalone audited financial statements for the relevant years.

### Overview

Our Company is primarily engaged in the business of making investments. Established in the year 1993, our Company has made various investments and is presently invested in the following entities (collectively "Investee Companies"):

1. IndusInd Bank Limited;
2. Hinduja Leyland Finance Limited;
3. IndusInd Media & Communications Limited; and
4. IndusInd Information Technology Limited.

In addition our Company has the following subsidiaries (collectively "Subsidiaries"):

1. IndusInd Limited;
2. IndusInd Capital Limited;
3. IndusInd Finance Limited; and
4. IndusInd Ventures Limited.

Basis the latest audited financial statements of the Company, which are subject to the consideration and adoption by the shareholders of the Company at the forth coming Annual General Meeting of the Company, as at March 31, 2018, the Company's investments in its Investee Companies and Subsidiaries were acquired at a total cost of USD 359.23 million and have grown to USD 2,708.16 million as at March 31, 2018, as summarized below:

(Amounts in USD)

Name of the entity	Nature	Cost of investment	Market Value as of March 31, 2018*
IndusInd Bank Limited	Investee Company	125,803,261	1,823,067,531
Hinduja Leyland Finance Limited	Investee Company	111,334,343	211,372,117
IndusInd Media & Communications Limited	Investee Company	76,775,870	72,205,420
IndusInd Information Technology Limited	Investee Company	248,930	1,744,644
IndusInd Limited	Subsidiary Company	45,038,792	595,741,731
IndusInd Capital Limited	Subsidiary Company	10,000	10,000
IndusInd Finance Limited	Subsidiary Company	10,000	10,000
IndusInd Ventures Limited	Subsidiary Company	10,000	10,000
<b>Total</b>		<b>359,231,196</b>	<b>2,704,161,443</b>

\*As at March 31, 2018, being the latest audited financial statements available, which are subject to the consideration and adoption by the shareholders of the Company at the forth coming Annual General Meeting of the Company.

For further details as regards the financial performance of the Company and brief details of the performance of its investee companies, please refer to the section titled 'Financial Statements' beginning on page F-1 of this Offer Document.

The main objects of our Company are as follows:

1. Both within and outside the Republic of Mauritius, full capacity to carry on and/or undertake any business or activities, to do any act or enter into any transaction.
2. To do all such other things as are incidental to, or the Company may think conducive to the conduct, promotion or attainment of the objects of the Company.

### Investee companies – Brief overview

#### 1. IndusInd Bank Limited

IndusInd Bank Limited ("IBL") is a company incorporated under the (Indian) Companies Act, 1956 and a banking company within the meaning of the (Indian) Banking Regulation Act, 1949. IBL is listed on the Indian stock exchanges including the BSE Limited and the National Stock Exchange of India Limited.

IBL is a private sector bank in India and provides a wide range of banking and financial products and services to individual consumers and corporate and commercial entities ranging from small businesses to large companies and government entities.

IBL's activities are organized into the following business unit *inter alia*:

- Consumer banking;
- Corporate and commercial banking;
- Global Markets; and
- Transaction banking.

## 2. **Hinduja Leyland Finance Limited**

Hinduja Leyland Finance Limited (“**HLFL**”) is one of the leading vehicle finance Non-Banking Finance Companies (“**NBFC**”) in India with a focus on urban and semi-urban markets. HLFL provides retail finance through a wide range of vehicle financing and housing finance products. HLFL finances a wide range of commercial and personal vehicles, which include medium and heavy commercial vehicles, light commercial vehicles, small commercial vehicles, cars, multi utility vehicles, tippers, three wheelers, and two-wheelers, tractors and construction equipment including used vehicles.

HLFL commenced its housing finance business in the year 2016 through its wholly-owned subsidiary, Hinduja Housing Finance Limited, which focuses on providing finance for housing loans including affordable housing loans.

## 3. **IndusInd Media and Communications Limited**

IndusInd Media and Communications Limited (“**IMCL**”) is a subsidiary of Hinduja Ventures Limited. Having commenced its operations in 1995, IMCL is one of India's largest integrated media companies and a multi system operator. It is primarily engaged in the operations and distribution of television channels through a medium of terrestrial satellite cable transmission and also internet service provider operations in India. Most of the major cities where IMCL operates are digital-enabled by digital head ends or internet protocol. In addition to Mumbai, IMCL network covers 11 major cities in northern, southern and western India including Delhi, Agra, Hyderabad, Bangalore, Ahmedabad, Nasik, Belgaum, Indore and Nagpur.

## 4. **IndusInd Information Technology Limited**

IndusInd Information Technology Limited (“**IITL**”) is a public limited company incorporated on March 23, 2000 under the (Indian) Companies Act, 1956. IITL was set up for providing information technology support services to banking companies.

For further details as regards the financial performance of the Company, its Subsidiaries and investee companies, please refer to the section titled ‘Financial Statements’ beginning on page F-1 of this Offer Document.

### **Manpower**

Considering that the Company's primary business is that of a holding company / investing company, it does not require significant manpower for operational purposes at the present stage, the Company has only employed 4 (four) personnel, which includes support staff. The Company has outsourced its accounting and administrative activities.

### **Insurance**

Considering that the Company's primary business is that of a holding company / investing company and that the Company does not own any material physical assets required to conduct its day to day business, the Company has not obtained any insurance policies in relation to its business.

### **Subsidiaries**

The shareholding of the Company in the Subsidiaries, country of incorporation and the nature of the principal activity undertaken by the Subsidiaries is as follows:

<b>Name of the Subsidiary</b>	<b>Country of Incorporation</b>	<b>Shareholding of the Company in the Subsidiary (as a %)</b>
IndusInd Limited	Mauritius	94.36
IndusInd Capital Limited	Mauritius	100
IndusInd Finance Limited	Mauritius	100
IndusInd Venture Limited	Mauritius	100

## MANAGEMENT

### Details of Board of Directors

The following table provides details of the members of Board as on the date of this Offer Document:

Name	Date of appointment
Ashok P. Hinduja	September 26, 2006
Bhagwan Tolani	March 1, 1994
Dr. Ram Buxani	March 1, 1994
Kewalram Sital	April 26, 1994
Maghanmal Jethanand Pancholia	July 19, 1994
Narayan Pohani	July 19, 1994
Ajay Hinduja	May 15, 2004
Kamal Fabiani	September 10, 1997
Vashdev T. Purswani	March 1, 1994
Mayank Malik (Resident Director)	January 31, 2018
Imalambaal Kichenin (Resident Director)	March 01, 2018

### Interest of Directors in the Company

The Directors are interested in the Company to the extent of shareholding in the Company and in any dividend and distributions which may be made by the Company in the future. The Directors are also interested in agreements and other transactions as set forth in the Company's financial statements on a consolidated basis beginning on page F-1 of this Offer Document, and other than as set forth therein, the Directors do not have any interest in any property acquired by the Company or its Subsidiary within a period of two years prior to the date of the Offer Document.

All of the Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or committees thereof and to the extent of other remuneration (including but not limited to perks, perquisites and other benefits) and reimbursement of expenses payable to them. Certain Directors are interested to the extent of Shares held by companies in which each of them are Directors or Shareholders and to the extent of benefits arising out of such shareholding. Other than as disclosed in the Offer Document, none of the Directors is entitled to receive remuneration from the Company.

### Qualification shares

The Constitution of the Company does not require the Directors to hold any qualification shares in the Company.

### Directors' remuneration and benefits

The Directors (except Resident Directors) are paid such amount of sitting fees and reimbursement of travel expenses for attending Board Meetings/ meetings of the Shareholders of the Company, as approved by the Board of Directors of the Company from time to time.

Mr. Mayank Malik, Resident Director of the Company is also appointed as the President and Chief Executive Officer of the Company and is entitled to remuneration (including but not limited to perks, perquisites and other benefits) and reimbursement of expenses and benefits as per the terms of his engagement with the Company, as revised by the Board of Directors of the Company from time to time.

As at the date of this Offer Document, there are no arrangements under which a Director has waived or agreed to waive future emoluments.

## OTHER CONSIDERATIONS

### A. Legal and arbitration proceedings

There exists a legal proceeding in relation to rectification of share register filed by an aggrieved Person. The case is filed against an existing shareholder of the Company, the erstwhile Management Company, the present Management Company and the Registrar of Companies. The Company has been made a party to such proceedings. The primary relief sought is rectification of the share register of the Company and the aggrieved Person has also sought compensation from the Company.

Further, the erstwhile Management Company has also made a claim seeking *inter alia* damages for being made a party in the aforementioned legal proceedings.

### B. Analysis of consolidated borrowings as at March 31, 2018

For details regarding the borrowing of our Company, please refer to chapter titled "Financial Information" beginning on page F-1 of the Offer Document.

### C. Mortgages and charges

Basis the latest audited financial statements of the Company, which are subject to the consideration and adoption by the shareholders of the Company at the forth coming Annual General Meeting of the Company, as at March 31, 2018, the Company has created a pledge on the shares of IndusInd Limited held by the Company, as security against the loan availed from Citibank, N.A. London. For further details in this regard, please refer to chapter titled "Financial Information" beginning on page F-1 of the Offer Document.

### D. Contingent liabilities and guarantees

Basis the latest audited financial statements of the Company, which are subject to the consideration and adoption by the shareholders of the Company at the forth coming Annual General Meeting of the Company, as at March 31, 2018, the Company did not have any contingent liabilities and guarantees.

### E. Remittance of profits and repatriation of capital

There are no restrictions affecting the remittance of profits or repatriation of capital from outside Mauritius into the country.

### F. Material developments since March 31, 2018

On May 31, 2018, the Company sold 10,000,000 (Ten Million) shares held in Hinduja Leyland Finance Limited to Hinduja Power Limited; an unrelated party, for a cash consideration of USD 22, 205,773 (United States Dollars Twenty Two Million Two Hundred and Five Thousand Seven Hundred and Seventy Three).

## SELLING RESTRICTIONS

### General

No action has been taken or will be taken that would permit an offering of the Tranche 2 New Ordinary Equity Shares to occur in any jurisdiction, or the possession, circulation or distribution of this Offer Document or any other material relating to the Company or the Tranche 2 New Ordinary Equity Shares in any jurisdiction where action for such purpose is required, except that a copy of this Offer Document will be deposited with the Securities Commission Malaysia within 7 (seven) days after it is first distributed to persons in Malaysia. Accordingly, the Tranche 2 New Ordinary Equity Shares may not be offered or sold, directly or indirectly, and neither this Offer Document nor any offering materials or advertisements in connection with the Tranche 2 New Ordinary Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

You shall only be permitted to purchase/ invest in the Tranche 2 New Ordinary Equity Shares to the extent permissible under applicable law. You are advised to exercise caution in relation to responding to the offer to subscribe to the Tranche 2 New Ordinary Equity Shares. You are also advised to consult, under strict confidentiality obligations, with your independent financial, legal and tax advisers on your eligibility to participate in this Issue under the relevant laws that may be applicable to you and, therefore, you are liable for any of your financial, legal and tax consequences which may arise from your subscription of the Tranche 2 New Ordinary Equity Shares.

Each subscriber of the Tranche 2 New Ordinary Equity Shares will be deemed to have made the following representations, warranties, acknowledgments and agreements:

- You are entitled to subscribe for and acquire the Tranche 2 New Ordinary Equity Shares under the laws of all relevant jurisdictions that apply to you and that you have fully observed such laws and you have the necessary capacity, have obtained all necessary consents, governmental or otherwise, and authorisations and complied with all necessary formalities to enable you to subscribe for Tranche 2 New Ordinary Equity Shares and you will honour such obligations; and
- You agree to indemnify and hold the Company harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements and undertakings. You agree that the indemnity set forth in this paragraph shall survive the resale of the Tranche 2 New Ordinary Equity Shares.

The Company reserves the right to require a person in any jurisdiction not listed below to give it an opinion of legal counsel that the purchase of Tranche 2 New Ordinary Equity Shares by such person in accordance with the terms of this Offer Document was in accordance with the laws of such jurisdiction.

In the event you do not meet the criteria and requirements laid down under “**Selling Restriction**” and in the other terms of this Offer Document, you are not qualified to apply for the Tranche 2 New Ordinary Equity Shares, and if any application is made by, such an application shall be rejected by the Company.

### Australia

Except for current shareholders in the Company resident in Australia that have received this Offer Document from the Company, the provision of this Offer Document to any person in Australia does not constitute an offer of the Tranche 2 New Ordinary Equity Shares to that person or an invitation to that person to apply for Tranche 2 New Ordinary Equity Shares unless such person is a sophisticated or professional investor for the purposes of section 708 of the Corporations Act of Australia. Except for current shareholders in the Company, this Offer Document is not intended to be distributed or passed on, directly or indirectly, to any other class of persons in Australia. This Offer Document is not a disclosure document under Chapter 6D of the Corporations Act of Australia and it has not been lodged with the Australian Securities and Investments Commission. It is not required to, and does not, contain all the information which would be required in a disclosure document.

As per section 708 of the Corporations Act of Australia, current shareholders in the Company that are not sophisticated or professional investors for the purposes of section 708 of the Corporations Act of Australia may only subscribe for a maximum of A\$2 million of Tranche 2 New Ordinary Equity Shares in total in the Offer.

Any person to whom Tranche 2 New Ordinary Equity Shares are issued must not, within 12 months after the Allotment Date, offer, transfer or assign the Tranche 2 New Ordinary Equity Shares to any person in Australia except in circumstances where disclosure to investors is not required under the Corporations Act of Australia.

### Bahrain

This Offer Document and the Tranche 2 New Ordinary Equity Shares that shall be offered pursuant to this Offer Document have not been registered, filed, approved or licensed by the Central Bank of Bahrain (“CBB”), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism (“MOICT”) or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in this Offer Document, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. This Offer Document is only intended for Accredited Investors as defined by the CBB and the securities offered by way of

private placement may only be offered in minimum subscriptions of USD100,000 (or equivalent in other currencies). We will not make any invitation to the public in the Kingdom of Bahrain to subscribe to the Tranche 2 New Ordinary Equity Shares and this Offer Document will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. All marketing and offering of the Tranche 2 New Ordinary Equity Shares is made and will be made outside the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved this Offer Document and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of Tranche 2 New Ordinary Equity Shares.

### **European Economic Area**

In relation to each Member State of the European Economic Area that has implemented the Prospectus Directive (each, a “**Relevant Member State**”), with effect from and including the date on which the Prospectus Directive is or was implemented in that Relevant Member State (the “**Relevant Implementation Date**”), the Tranche 2 New Ordinary Equity Shares may not be offered or sold to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Tranche 2 New Ordinary Equity Shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive (defined below) and the 2010 Amending Directive (defined below), except that the Tranche 2 New Ordinary Equity Shares, with effect from and including the Relevant Implementation Date, may be offered to the public in that Relevant Member State at any time:

- (a) to persons or entities that are “qualified investors” as defined in the Prospectus Directive or, if that Relevant Member State has implemented the 2010 Amending Directive, as defined in the 2010 Amending Directive;
- (b) to (i) fewer than 100 natural or legal persons (other than “qualified investors” as defined in the Prospectus Directive); or (ii) if that Relevant Member State has implemented the 2010 Amending Directive, fewer than 150 natural or legal persons (other than “qualified investors” as defined in the 2010 Amending Directive); and
- (c) in any circumstances falling within Article 3(2) of the Prospectus Directive as amended (to the extent implemented in that Relevant Member State) by Article 1(3) of the 2010 Amending Directive, provided that no such offering of Tranche 2 New Ordinary Equity Shares shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive as amended (to the extent implemented in that Relevant Member State) by Article 1(3) of the 2010 Amending Directive.

For the purposes of this provision, the expression an “offer of Tranche 2 New Ordinary Equity Shares to the public” in relation to any Tranche 2 New Ordinary Equity Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Tranche 2 New Ordinary Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Tranche 2 New Ordinary Equity Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “Prospectus Directive” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State and the expression “2010 Amending Directive” means Directive 2010/73/EU and includes any relevant implementing measure in each Member State.

The Company has not authorised the making of any offer of Tranche 2 New Ordinary Equity Shares through any financial intermediary on its behalf.

### ***United Kingdom (in addition to the European Economic Area selling restrictions above)***

The Tranche 2 New Ordinary Equity Shares offered in the Tranche 2 Rights Issue cannot be promoted in the United Kingdom to the general public. The contents of this Offer Document have not been approved by an authorised person within the meaning of Financial Services and Markets Act 2000, as amended (the “**FSMA**”). The Company (a) may only communicate or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA), to persons who (i) are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Financial Promotion Order**”), or (ii) fall within any of the categories of persons described in article 49(2)(a) to (d) of the Financial Promotion Order or otherwise in circumstances in which section 21(1) of the FSMA does not apply to the Company; and (b) is required to comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Tranche 2 New Ordinary Equity Shares in, from or otherwise involving the United Kingdom. Any invitation or inducement to engage in investment activity (within the meaning of Section 21 of FSMA) in connection with, or relating to, the sale or purchase of any Tranche 2 New Ordinary Equity Shares, may only be communicated or caused to be communicated in circumstances in which Section 21(1) of the FSMA does not apply. It is the responsibility of all persons under whose control or into whose possession this Offer Document comes to inform themselves about and to ensure observance of all applicable provisions of FSMA in respect of anything done in relation to an investment in Tranche 2 New Ordinary Equity Shares in, from or otherwise involving, the United Kingdom.

### **Hong Kong**

The Offer Document has not been reviewed or approved by any regulatory authority in Hong Kong. In particular, this Offer Document has not been, and will not be, registered as a “prospectus” in Hong Kong under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32) (“**CO**”) nor has it been authorized by the Securities and Futures Commission (“**SFC**”) in Hong Kong pursuant to the Securities and Futures Ordinance (Cap 571) (“**SFO**”). Recipients are



advised to exercise caution in relation to the Issue. If recipients are in any doubt about any of the contents of this Offer Document, they should obtain independent professional advice.

The Offer Document does not constitute an offer or invitation to the public in Hong Kong to acquire any Tranche 2 New Ordinary Equity Shares nor an advertisement of the Tranche 2 New Ordinary Equity Shares in Hong Kong. The Offer Document must not be issued, circulated or distributed in Hong Kong other than:

- to “professional investors” within the meaning of the SFO and any rules made under that ordinance (“**Professional Investors**”); or
- in other circumstances which do not result in this Offer Document being a prospectus as defined in the CO nor constitute an offer to the public which requires authorization by the SFC under the SFO.

Unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Tranche 2 New Ordinary Equity Shares, which is directed at, or the content of which is likely to be accessed or read by, the public of Hong Kong other than with respect to the Tranche 2 New Ordinary Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to Professional Investors.

Any offer of the Tranche 2 New Ordinary Equity Shares is personal to the person to whom this Offer Document is delivered, and a subscription for the Tranche 2 New Ordinary Equity Shares will only be accepted from such person. No person who has received a copy of this Offer Document may issue, circulate or distribute this Offer Document in Hong Kong or make or give a copy of this Offer Document to any other person. No person allotted Tranche 2 New Ordinary Equity Shares may sell, or offer to sell, such Tranche 2 New Ordinary Equity Shares to the public in Hong Kong within six months following the date of issue of such Tranche 2 New Ordinary Equity Shares.

### **India**

This Offer Document has not been reviewed or approved by any regulatory authority in India, including the Reserve Bank of India, the Securities Exchange Board of India and the Registrar of Companies. You are not permitted to directly or indirectly, distribute this Offer Document to any other person. The Tranche 2 New Ordinary Equity Shares shall not be offered or sold, directly or indirectly, in India to, or for the account or benefit of, any resident of India except as permitted by applicable law and Indian regulations.

This Offer Document does not constitute an offer or invitation to the public in India to acquire any Tranche 2 New Ordinary Equity Shares, nor does it constitute an advertisement or promotion of the Tranche 2 New Ordinary Equity Shares in India. You shall only be permitted to purchase/ invest in the Tranche 2 New Ordinary Equity Shares to the extent permissible under applicable law and Indian regulations. In case you require any clarification with regard to the applicable law and Indian regulations (including the Foreign Exchange Management Act, 1999), you should consult, under strict confidentiality obligations, your legal advisor, financial advisor, your investment dealer or any other independent advisor immediately prior to investing in the Tranche 2 New Ordinary Equity Shares.

In accordance with the Liberalised Remittance Scheme (“**LRS**”) as enforced by the FED Master Direction No.7/ 2015-16 dated January 01, 2016 (updated as on June 20, 2018), an Authorised Dealer (as notified by the Reserve Bank of India from time to time) may freely allow remittances by resident individuals in India up to USD 250,000 (United States Dollars Two Hundred Fifty Thousand) per financial year for a permitted current or capital account transaction or a combination of both. The provisions of the LRS do not apply to corporates, partnership firms, Hindu Undivided Families, trusts, etc.

The permitted capital account transactions by an individual under the LRS are as follows:

- i. opening of foreign current account abroad with a bank;
- ii. purchase of property abroad;
- iii. making investments abroad - acquisition and holding shares of both listed and unlisted overseas company or debt instruments; acquisition of qualification shares of an overseas company for holding the post of Director; acquisition of shares of a foreign company towards professional services rendered or in lieu of Director’s remuneration; investment in units of Mutual Funds, Venture Capital Funds, unrated debt securities, promissory notes;
- iv. setting up Wholly Owned Subsidiaries and Joint Ventures (with effect from August 05, 2013) outside India for bonafides business subject to the terms and conditions stipulated by the Reserve Bank of India;
- v. extending loans including loans in Indian Rupees to non-resident Indians who are relatives as defined in the Companies Act, 1956.

The Indian individual making a remittance under the LRS will be required to designate a branch of an authorised dealer bank (“**AD**”) through which the remittances under LRS will be made, subject to the remitter furnishing the necessary forms and documents in accordance with the terms and conditions stipulated by the Reserve Bank of India.

### **Indonesia**

The Tranche 2 New Ordinary Equity Shares will only be offered to less than 100 persons and sold to less than 50 persons within the Republic of Indonesia, and the total offering amount will be less than IDR1,000,000,000 (one billion Rupiah) and it will not be offered through mass media. As such, this Offer is not a “public offering” (as defined under Article 1 of section 15 of Law No. 8 of 1995 on Capital Markets). Therefore, the offering of the Tranche 2 New Ordinary Equity Shares is not registered under the Indonesian capital markets laws and regulations, and no registration statement will be filed with the Financial Services Authority (Otoritas Jasa Keuangan) to that effect.

In order to ensure that the Company complies with the foregoing restrictions on offers and sales, the Offering Document is personal to you and it is to be understood that the offer under the particular Offering Document does not constitute an offer to any other person. Except with the Company's written consent, it may not be distributed, published, reproduced or disclosed (in whole or in part) by you to any other person (except your advisors in their capacity as such) or used for any purpose other than in connection with your consideration to subscribe to the Tranche 2 New Ordinary Equity Shares. You must destroy such Offering Document if you do not wish to pursue the offer.

You are advised to exercise caution in relation to responding to the offer to subscribe to the Tranche 2 New Ordinary Equity Shares. If you are in any doubt about any of the contents of this Offer Document, you should obtain independent professional advice. You are also advised to consult with your independent financial, legal and tax advisers and, therefore, you are liable for any of your financial, legal and tax consequences which may arise from your subscription of the Tranche 2 New Ordinary Equity Shares.

#### **Isle of Man**

This Offer Document is not and shall not under any circumstances be construed as an offering of the Tranche 2 New Ordinary Equity Shares to the general public of the Isle of Man. This Offer Document and the information contained in it is strictly confidential and may not be supplied to the public of the Isle of Man or distributed to any person or entity other than the recipients of this Offer Document.

The Company is not regulated, authorised or licenced by the Isle of Man Financial Services Authority (the "FSA") and the Company is not subject to approval in the Isle of Man. Applicants for the Tranche 2 New Ordinary Equity Shares under this Offer Document are not protected by any statutory compensation arrangements in the event of the Company's failure. The FSA does not vouch for the financial soundness of the Company nor for the accuracy of any statements made or opinions expressed herein with regard to the Company.

#### **Japan**

No securities registration statement in relation to the solicitations of the issue of the Tranche 2 New Ordinary Equity Shares in Japan (the "**Solicitations**") has been or will be filed pursuant to Article 4, Paragraph 1 of the Financial Instrument and Exchange Law of Japan (the "**FIEL**") because the solicitations are being made only to no more than 49 persons during the six-month period prior to the contemplated Allotment Date of the Tranche 2 New Ordinary Equity Shares. Therefore, the Solicitations satisfy the Small Private Placement Solicitations under the FIEL. Due to the limit of 49 offerees in Japan, shareholders may not offer their right to purchase Tranche 2 New Ordinary Equity Shares in the Issue to any other person without first obtaining the prior written consent of the Company to do so. Applications from persons in Japan who are not shareholder will be rejected by the Company.

Any purchaser of the Tranche 2 New Ordinary Equity Shares in Japan: (a) may not, directly or indirectly, resell, assign, transfer, or otherwise dispose of the Tranche 2 New Ordinary Equity Shares to any person in Japan or to or for the benefit of any resident of Japan, including any corporation or other entity organised under the laws of Japan, other than in "a lump sum" to a single person; and (b) shall deliver a notification indicating (a) and (b) herein to the transferee of the Tranche 2 New Ordinary Equity Shares.

Capitalized terms used in this sub-section and not defined in this Offer Document have the meanings given to those terms in the FIEL.

#### **Kuwait**

This Offer Document is provided on an exclusive basis to the specifically intended recipient thereof, upon that person's request and initiative, and for the recipient's personal use only and is not intended to be available to the public.

The Offer Document has not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Tranche 2 New Ordinary Equity Shares in the State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of securities in the State of Kuwait ("Kuwait Securities Laws").

Hence, in accordance with the Kuwait Securities Laws, no private or public offering of the Tranche 2 New Ordinary Equity Shares is or will be made in the State of Kuwait, no agreement relating to the sale of the Tranche 2 New Ordinary Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Interests in the State of Kuwait.

Any distribution of this Offer Document shall be at the liability of the distributor.

#### **Malaysia**

No approval of the Securities Commission of Malaysia has been or will be obtained in connection with the offer and sale of the Tranche 2 New Ordinary Equity Shares in Malaysia nor will this Offer Document be registered with the Securities Commission of Malaysia. Accordingly, the Tranche 2 New Ordinary Equity Shares are only being offered and sold in accordance with one or more of the excluded offers and excluded invitations set forth in Schedule 6 ("**Schedule 6**") of the Malaysia Capital Markets and Services Law 2007, as amended ("**CMSL**"), which includes, among others, with respect to the securities of a corporation which are not listed, an offer or invitation made to existing members of such corporation

by means of a rights issue and is not an offer to which section 237 of the CMSL applies, By purchasing Tranche 2 New Ordinary Equity Shares in the Offer, you will be deemed to represent that you are a person to whom the Tranche 2 New Ordinary Equity Shares may be offered and sold in accordance with Schedule 6.

#### **Mauritius**

This Offer Document has not been submitted to the FSC and the shares have not been and will not be admitted or registered for public distribution under the Securities Act 2005. Applicants for shares under this Offer Document are not protected by any statutory compensation arrangements in Mauritius in the event of the Company's failure.

The shares must not be distributed within Mauritius by way of public offer, public advertisement or any similar manner. This Offer Document and the information contained therein is strictly confidential and may not be supplied to the public in Mauritius or used in connection with any offer for subscription of the shares to the public in Mauritius and may not be distributed to any person or entity other than the recipients hereof. Recipients may not pass this Offer Document into third persons except to professional advisers under conditions of confidentiality for the purposes of evaluating their own investment.

Furthermore, the Company will not accept funds derived from sources within India from Indian Residents for the purposes of acquiring shares in the Company unless appropriate written approval from the relevant Indian Authorities have been obtained for such acquisition.

#### **Oman**

The information contained in this Offer Document does not constitute a public offer of securities in the Sultanate of Oman as contemplated by the Commercial Companies Law of Oman (Royal Decree No. 4 of 1974 as amended) nor does it constitute an offer to sell or the solicitation of any offer to buy non-Omani securities in the Sultanate of Oman as contemplated by the Executive Regulations of the Capital Market Law of Oman (Decision Number 1 of 2009). This Offer Document must not be distributed in the Sultanate of Oman and it is not intended to lead to the conclusion of any contract in the Sultanate of Oman. This document has not been and will not be reviewed or approved by the Capital Market Authority of Oman. This document is intended for the original recipient only and must not be provided to any other person.

#### **Panama**

The Tranche 2 New Ordinary Equity Shares have not been, and are not being, publicly offered, sold, promoted or advertised in the Republic of Panama. The information contained in this Offer Document does not constitute a public offer of securities in the Republic of Panama in accordance with the Unified Text of the Decree Law 1 of July 8, 1999 ("the Securities Law") or otherwise and is not intended to be a public offer.

The Offer Document does not constitute an offer or invitation to the public in the Republic of Panama to acquire any Tranche 2 New Ordinary Equity Shares nor an advertisement of the Tranche 2 New Ordinary Equity Shares in the Republic of Panama.

According to the Securities Law, The Tranche 2 New Ordinary Equity Shares must not be offered, sold, circulated or distributed in Republic of Panama other than:

("Private placement"): The offerings of securities to not more than twenty-five persons, and that jointly result in the sale of said securities to not more than ten persons, within a period of one year.

No mass mailings or public advertisement of the securities should be made in Panama, as this would be interpreted as an offer to more than 25 persons.

#### **People's Republic of China**

No action has been taken by the Company which would permit an offering of the Tranche 2 New Ordinary Equity Shares or the distribution of this Offer Document in the People's Republic of China. Abovementioned offering and distribution will be subject to related laws and regulations of the People's Republic of China on domestic individuals and enterprises outbound investment, operation of foreign registered company in the People's Republic of China, foreign exchange control, securities offering and in all applicable areas. Accordingly, if you are in the People's Republic of China, you may not purchase any Tranche 2 New Ordinary Equity Shares except under circumstances that result in the purchase and offering being in compliance with all applicable laws and regulations of the People's Republic of China.

#### **Philippines**

**THE SECURITIES BEING OFFERED OR SOLD HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE PHILIPPINE SECURITIES AND EXCHANGE COMMISSION UNDER THE PHILIPPINE SECURITIES REGULATION CODE (THE "SRC"). ANY FUTURE OFFER OR SALE THEREOF IN THE PHILIPPINES IS SUBJECT TO REGISTRATION REQUIREMENTS UNDER THE SRC UNLESS SUCH OFFER OR SALE QUALIFIES AS AN EXEMPT TRANSACTION.**

The sale of the Tranche 2 New Ordinary Equity Shares offered hereby is an exempt transaction under Section 10.1 of the SRC. Any offer or sale of the Tranche 2 New Ordinary Equity Shares within the Philippines is subject to registration unless such offer or sale is made pursuant to an exemption from registration under the SRC. The following offer or sale of the securities in the Philippines are exempt from registration: (a) by a corporation to its stockholders, exclusively, where no commission or remuneration is paid in connection with the sale of such capital stock pursuant to Section 10.1 (e) of the SRC; (b) to not more than 19 persons who are not "qualified buyers" during any one-year period pursuant to Section

10.1 (k) of the SRC or (c) to persons who are “qualified buyers” pursuant to Section 10.1(l) of the SRC. The Company has not obtained and will not obtain confirmation from the Philippine Securities and Exchange Commission that the offer or sale of the securities qualifies as an exempt transaction. Each purchaser in the Philippines with its acceptance of the Tranche 2 New Ordinary Equity Shares represents that it understands and agrees to the foregoing restrictions.

#### **Saudi Arabia**

This Offer Document may not be distributed in the Kingdom except to such persons as are permitted under the Offer of Securities Regulations and Continuing Obligations issued by the Capital Market Authority.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the Tranche 2 New Ordinary Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document you should consult an authorised financial adviser.

#### **Singapore**

This Offer Document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (“MAS”) under the Securities and Futures Act (Chapter 289) of Singapore (“SFA”). Accordingly, except for offers and sales of the Tranche 2 New Ordinary Equity Shares to Shareholders, the Tranche 2 New Ordinary Equity Shares may not be offered or sold, or made the subject of an invitation for subscription or purchase nor may this Offer Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Tranche 2 New Ordinary Equity Shares be circulated or distributed, whether directly or indirectly, in Singapore other than (i) to an “institutional investor” within the meaning of Section 274 of the SFA and in accordance with the conditions of an exemption invoked under Section 274, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) other pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Tranche 2 New Ordinary Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Tranche 2 New Ordinary Equity Shares pursuant to an offer made under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights or interest in that trust are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for a corporation, in accordance with the conditions specified in Section 275 of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law.

#### **Sint Maarten**

The Company is not licensed, nor has it obtained an exemption, under the Curaçao National Ordinance on the Supervision of Investment Institutions and Administrators. It is therefore prohibited to request or obtain in or from Sint Maarten, the Tranche 2 New Ordinary Equity Shares or offer such Tranche 2 New Ordinary Equity Shares in or from Sint Maarten.

In addition, Sint Maarten residents may not obtain or hold Tranche 2 New Ordinary Equity Shares, except when such resident has been granted a general exemption or has obtained a specific license to acquire Tranche 2 New Ordinary Equity Shares, from the Central Bank of Curaçao and Sint Maarten under the Foreign Exchange Control Regulations of Curacao and Sint Maarten. For this purpose, Sint Maarten residents include Sint Maarten individuals, corporate entities, companies, partnerships and branch offices.

#### **Switzerland**

This Offer Document does not constitute an issue prospectus pursuant to Art. 652a of the Swiss Code of Obligations. The Tranche 2 New Ordinary Equity Shares will not be listed on the SWX Swiss Exchange and, therefore, Offer Document does not comply with the disclosure standards of the listing rules of the SWX Swiss Exchange. Accordingly, the Tranche 2 New Ordinary Equity Shares may not be offered to the public in Switzerland, but only to a selected and limited group of investors, which do not subscribe to the Equity Shares with a view to distribution to the public. In order to ensure that the Company complies with the foregoing restrictions on offers, the Offer Document is personal to you and, except with the Company’s written consent, it may not be distributed, published, reproduced or disclosed (in whole or in part) by you to any other person (except your advisors in their capacity as such) or used for any purpose other than in connection with your consideration to subscribe to the Tranche 2 New Ordinary Equity Shares.

#### **Taiwan**

Paragraphs 1 and 2 of Article 43-6 of the Taiwan Securities and Exchange Act (the “TSEA”) provides that a Taiwan public company may carry out private placement of securities in the territory of Taiwan with the following persons upon adoption

of a resolution by at least two-thirds of the votes of the shareholders present at a meeting of shareholders who represent a majority of the total number of issued shares: (1) banks, bills finance enterprises, trust enterprises, insurance enterprises, securities enterprises, or other juristic persons or institutions approved by the Competent Authority; (2) natural persons, juristic persons, or funds meeting the conditions prescribed by the Competent Authority; and (3) directors, supervisors, and managerial officers of the company or its affiliated enterprises; provided, however, the total number of places under subparagraphs (2) and (3) above shall not exceed 35 persons. Also, in accordance with Article 165-1 of the TSEA, the aforementioned Article 43-6 of the TSEA shall apply mutatis mutandis to foreign issuers whose shares are listed and traded on Taiwan Stock Exchange Market or Taipei Over-the-Counter Securities Exchange Market in connection with the private placement of its securities.

Based on the above, only (1) public companies organized under Taiwan law (Articles 43-6) and (2) foreign issuers whose shares are listed and traded on Taiwan Stock Exchange Market or Taipei Over-the-Counter Securities Exchange Market (Article 165-1) are allowed to carry out rights issue of securities in the territory of Taiwan. Since the Company does not meet either of the above two qualifications, this Offer Document may not be circulated or distributed in Taiwan and the Tranche 2 New Ordinary Equity Shares may not be offered or sold, directly or indirectly, in Taiwan, no matter the Tranche 2 New Ordinary Equity Shares subscribers are existing shareholders of the Company or new investors.

### **Thailand**

The Tranche 2 New Ordinary Equity Shares are intended to be offered exclusively to the person/entity to whom this Offer Document is addressed only, and the Company has no intention of distributing the Tranche 2 New Ordinary Equity Shares to the public in Thailand, and the subscribers of the Tranche 2 New Ordinary Equity Shares may not redistribute such shares to the public in Thailand.

The Tranche 2 New Ordinary Equity Shares have not been granted permission by the Securities and Exchange Commission ("SEC") of Thailand to be offered, or marketed, through any means of communication to the public in Thailand. This Offer Document has not been reviewed or approved by the SEC of Thailand.

This Offer Document is being distributed on a confidential basis to the person to whom it is addressed. It may not be reproduced in any form, or shown to the public generally, or transmitted to any person other than the person to whom it is addressed. Transmission of this Offer Document to any person/entity other than the person/entity to whom the Company originally gave it to shall not constitute a solicitation by the Company to make an offer to purchase the Tranche 2 New Ordinary Equity Shares.

### **Togo**

This Offer Document does not constitute an offer or invitation to the public in Togo to acquire any Tranche 2 New Ordinary Equity Shares, nor does it constitute an advertisement or promotion of the Tranche 2 New Ordinary Equity Shares in Togo. Therefore, the Offer Document has not been reviewed or approved by any regulatory authority in Togo.

### **United Arab Emirates (excluding the Dubai International Financial Centre)**

This Offer Document is strictly private and confidential and is being distributed to a limited number of qualified investors who are not natural persons and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. If you are in any doubt about the contents of this document, you should consult an authorised financial adviser.

By receiving this Offer Document, the entity to whom it has been issued understands, acknowledges and agrees that this Offer Document has not been approved by or filed with the Central Bank of the United Arab Emirates, the United Arab Emirates Securities or Commodities Authority (the SCA) or any other authorities in the UAE. No marketing of any financial products or services has been or will be made from within the UAE other than in compliance with the laws of the UAE and no subscription to any securities or other investments may or will be consummated within the UAE. The Tranche 2 New Ordinary Equity Shares may not be offered or sold directly or indirectly to the public in the UAE. This does not constitute a public offer of securities in the UAE in accordance with the Commercial Companies Law, Federal Law No. 2 of 2015 (as amended) or otherwise.

The Tranche 2 New Ordinary Equity Shares to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Tranche 2 New Ordinary Equity Shares offered should conduct their own due diligence on the Tranche 2 New Ordinary Equity Shares.

Nothing contained in this Offer Document is intended to constitute investment, legal, tax, accounting or other professional advice. This Offer Document is for your information only and nothing in this Offer Document is intended to endorse or recommend a particular course of action. Any person considering acquiring securities should consult with an appropriate professional for specific advice rendered based on their respective situation.

### ***Dubai International Financial Centre ("DIFC")***

This Offer Document relates to an Exempt Offer in accordance with the Markets Rules of the Dubai Financial Services Authority.

This Offer Document is strictly private and confidential and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. If you are in any doubt about the contents of this document, you should consult an authorised financial adviser.

By receiving this Offer Document, the person or entity to whom it has been issued understands, acknowledges and agrees that this Offer Document has not been approved by or filed with the Dubai Financial Services Authority. The Dubai Financial Services Authority has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The Dubai Financial Services Authority has not approved this document nor taken steps to verify the information set out in it, and has no responsibility for it.

No marketing of any financial products or services has been or will be made from within the DIFC other than in compliance with the laws of the DIFC and no subscription to any securities or other investments may or will be consummated within the DIFC. The Shares may not be offered or sold directly or indirectly to the public in the DIFC.

The Tranche 2 New Ordinary Equity Shares to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Tranche 2 New Ordinary Equity Shares offered should conduct their own due diligence on the Tranche 2 New Ordinary Equity Shares.

Nothing contained in this Offer Document is intended to constitute investment, legal, tax, accounting or other professional advice. This Offer Document is for your information only and nothing in this Offer Document is intended to endorse or recommend a particular course of action. Any person considering acquiring securities should consult with an appropriate professional for specific advice rendered based on their respective situation.

### **United States**

The Tranche 2 New Ordinary Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold in the United States (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Company is an "investment company" as defined in the Investment Company Act and has not been and will not be registered under the Investment Company Act. The Company is relying on the exemption from the registration requirements of the Investment Company Act provided by Section 3(c)(1) of that Act. The Tranche 2 New Ordinary Equity Shares are being offered and sold only to persons outside the United States (as defined in Regulation S) who are non-U.S. persons in reliance on Regulation S.

The Tranche 2 New Ordinary Equity Shares are transferable only in accordance with the restrictions described in "**Transfer Restrictions**" and each purchaser of Tranche 2 New Ordinary Equity Shares in the Offer will be deemed to have made the representations, warranties, acknowledgements and undertakings set forth in "**Transfer Restrictions**".

### **Zimbabwe**

It is not necessary under the laws of Zimbabwe to register this Offer Document with any regulating authority. This Offer Document has therefore not been registered in Zimbabwe.

In terms of the law regulating companies, no person can make an offer to the public of shares without registering a Prospectus. Since this offer is not meant in any way to be an offer to the public, and is only an offer to the recipient of this Offer Document, who is the only person who may accept this offer, no Prospectus has been registered or issued. Therefore, only the recipient of this Offer Document may accept the offer of a rights issue by the Company and, accordingly, any other person who sees this Offer Document shall have no right, whatsoever, to subscribe to the Tranche 2 New Ordinary Equity Shares.

Section 15 of the Exchange Control Regulations 1996 prevents Zimbabwe residents from purchasing what are called foreign shares without exchange control authority. Foreign shares are deemed by the main exchange control authority to be those shares on which any capital amount, dividend or interest is payable or expressed to be payable in a foreign currency. The currency due on the rights issue is United States Dollars. Whilst United States dollars are a currency acceptable for use in Zimbabwe, the main exchange control authority, namely the Reserve Bank, only accepts those United States Dollars as United States Dollars, if they are freely negotiable outside Zimbabwe. Such United States Dollars are referred to as hard currency and are freely negotiable outside Zimbabwe.

In terms of the said Exchange Control Regulations, persons using "free funds" as defined in the said 1996 Regulations will be entitled to use those "free funds" to purchase foreign shares, which are those on offer. "Free funds" are defined as money which is lawfully held outside Zimbabwe by a Zimbabwean resident, and which was acquired by him otherwise than as the proceeds of any trade, business or other gainful occupation or activity carried on by him in Zimbabwe.

Anybody wishing to accept the offer of shares by way of this rights issue, should obtain exchange control approval to do so and be in a position to pay by way of hard currency that is freely negotiable outside Zimbabwe.

## TRANSFER RESTRICTIONS

*Due to the following restrictions, investors are advised to consult legal counsel prior to purchasing Tranche 2 New Ordinary Equity Shares or making any offer, resale, pledge or transfer of the Tranche 2 New Ordinary Equity Shares.*

Each purchaser of the Tranche 2 New Ordinary Equity Shares is deemed to have represented, warranted, agreed and acknowledged as follows:

- It understands that the Tranche 2 New Ordinary Equity Shares have not been and will not be registered under the Securities Act and are being offered and sold to it in accordance with Regulation S.
- It is a non-U.S. person.  
It was outside the United States (within the meaning of Regulation S) at the time the offer of the Tranche 2 New Ordinary Equity Shares was made to it and it was outside the United States (within the meaning of Regulation S) when its buy order for the Tranche 2 New Ordinary Equity Shares was originated.
- It did not purchase the Tranche 2 New Ordinary Equity Shares as a result of any “directed selling efforts” (as defined in Regulation S).
- It is buying the Tranche 2 New Ordinary Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Tranche 2 New Ordinary Equity Shares, it agrees that it will not offer, sell, pledge or otherwise transfer the Tranche 2 New Ordinary Equity Shares except (1) to the Company or (2) outside the United States to a purchaser not known by it to be a U.S. person in a transaction complying with the provisions of Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction..
- Where it is subscribing to the Tranche 2 New Ordinary Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and it has full power to make the representations, warranties, agreements and acknowledgements herein.
- Where it is subscribing to the Tranche 2 New Ordinary Equity Shares for one or more managed accounts, it represents and warrants that it was authorised in writing by each such managed account to subscribe to the Tranche 2 New Ordinary Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, agreements and acknowledgements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.
- It agrees to indemnify and hold the Company harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Tranche 2 New Ordinary Equity Shares.
- It acknowledges that the Company will rely upon the truth and accuracy of the foregoing representations, warranties, agreements and acknowledgements.

Any resale or other transfer, or attempted resale or other transfer, of the Tranche 2 New Ordinary Equity Shares made other than in compliance with the above-stated restrictions, including compliance with the Constitution will not be recognized by the Company.

## GENERAL INFORMATION

### A. Company information

Name of the Company	IndusInd International Holdings Limited
Date of incorporation	October 4, 1993
Place of incorporation and registration	Mauritius
Business Registration Number	OC94000538
Tax residency	Mauritius
Registered Office	Level 3, Ebene House, Hotel Avenue, 33 Cybercity, Ebene, 72201, Mauritius
Details of the Company contact person for the purpose of this Issue	Name of the Management Company: JurisTax Limited Name of Concerned Person: Mr. Darsen Rungien Address: Level 3, Ebene House, Hotel Avenue, 33 Cybercity, Ebene 72201, Mauritius Phone Number: (+230) 465 5526 Fax: (+230) 468 1886 Email: lrungien@juristax.com
Company Secretary	JurisTax Limited, Level 3, Ebene House, Hotel Avenue, 33 Cybercity, Ebene 72201, Mauritius
Registrars and Transfers Office	JurisTax Limited, Level 3, Ebene House, Hotel Avenue, 33 Cybercity, Ebene 72201, Mauritius
Principal Bankers	SBI International (Mauritius) Ltd; Hinduja Bank (Switzerland) Ltd; SBM Bank (Mauritius) Ltd; Banque J. Safra Sarasin; Citibank, N.A. (London); and Bank of Baroda (London).

### B. Issue related information

Issue Programme		
<b>Issue Opening Date:</b> August 25, 2018	<b>Last Date of receiving Request for Split Application:</b> September 02, 2018	<b>Issue Closing Date:</b> September 11, 2018



## INDEX TO FINANCIAL STATEMENTS

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## IndusInd International Holdings Ltd and its subsidiaries

Consolidated and separate statements of profit or loss and other comprehensive income  
for the year ended 31 March 2018

	Note	The Group		The Company	
		2018 USD	2017 USD	2018 USD	2017 USD
Revenue	4	8,386,359	5,912,090	6,158,677	5,813,844
Administration expenses		(1,320,529)	(830,055)	(1,229,195)	(781,665)
		<u>7,065,830</u>	<u>5,082,035</u>	<u>4,929,482</u>	<u>5,032,179</u>
Realised gain on disposal of available-for-sale investments		5,334,911	-	5,334,911	34,767,067
<b>Profit from operating activities</b>		<u>12,400,741</u>	<u>5,082,035</u>	<u>10,264,393</u>	<u>39,799,246</u>
Finance income	5	3,781,910	1,049,283	3,773,620	1,049,221
Finance costs	5	(6,758,472)	(2,996,678)	(6,757,473)	(2,995,590)
<b>Net finance costs</b>	5	<u>(2,976,562)</u>	<u>(1,947,395)</u>	<u>(2,983,853)</u>	<u>(1,946,369)</u>
<b>Operating profit</b>		<u>9,424,179</u>	<u>3,134,640</u>	<u>7,280,540</u>	<u>37,852,877</u>
Share of profit of associate	7a	118,198	109,587	-	-
<b>Profit before taxation</b>		<u>9,542,377</u>	<u>3,244,227</u>	<u>7,280,540</u>	<u>37,852,877</u>
Taxation	6	(66,491)	(42,063)	-	-
<b>Profit for the year</b>		<u>9,475,886</u>	<u>3,202,164</u>	<u>7,280,540</u>	<u>37,852,877</u>
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences		(20,687)	32,926	-	-
Net change in fair value of available for sale financial assets	8, 9	566,794,210	654,937,026	561,240,321	643,206,688
<b>Other comprehensive income for the year</b>		<u>566,773,523</u>	<u>654,969,952</u>	<u>561,240,321</u>	<u>643,206,688</u>
<b>Total comprehensive income for the year</b>		<u>576,249,409</u>	<u>658,172,116</u>	<u>568,520,861</u>	<u>681,059,565</u>

**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of profit or loss and other comprehensive income (continued)**  
*for the year ended 31 March 2018*

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
<b>Profit attributable to:</b>				
Owners of the Company	9,354,672	3,125,455	7,280,540	37,852,877
Non-controlling interests	121,214	76,709	-	-
	<u>9,475,886</u>	<u>3,202,164</u>	<u>7,280,540</u>	<u>37,852,877</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	568,545,351	648,585,128	568,520,861	681,059,565
Non-controlling interests	7,704,058	9,586,988	-	-
	<u>576,249,409</u>	<u>658,172,116</u>	<u>568,520,861</u>	<u>681,059,565</u>

## IndusInd International Holdings Ltd and its subsidiaries

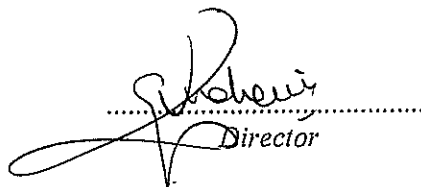
### Consolidated and separate statements of financial position as at 31 March 2018

	Note	The Group		The Company	
		2018 USD	2017 USD	2018 USD	2017 USD
<b>Assets</b>					
Investments in subsidiaries	9	-	-	595,771,731	466,878,045
Investments in associate	7	1,744,644	1,647,133	248,930	248,930
Available-for-sale investments	8	2,729,010,738	2,136,006,543	2,106,645,068	1,648,088,448
<b>Total non-current assets</b>		<b>2,730,755,382</b>	<b>2,137,653,676</b>	<b>2,702,665,729</b>	<b>2,115,215,423</b>
Other receivables and prepayments	10	11,466,156	2,961	37,134,686	27,871,119
Income tax receivable	6	-	1,042	-	-
Cash and cash equivalents		114,115,209	94,451,901	114,088,492	94,397,836
<b>Total current assets</b>		<b>125,581,365</b>	<b>94,455,904</b>	<b>151,223,178</b>	<b>122,268,955</b>
<b>Total assets</b>		<b>2,856,336,747</b>	<b>2,232,109,580</b>	<b>2,853,888,907</b>	<b>2,237,484,378</b>

These consolidated and separate financial statements have been approved and authorised for issue by the

Board of directors on ....12.. August..2018..... and signed on its behalf by

  
.....  
Director

  
.....  
Director

**IndusInd International Holdings Ltd and its subsidiaries**

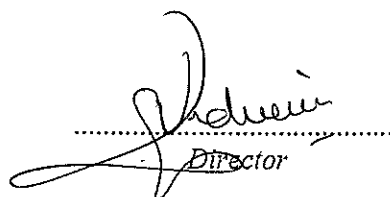
**Consolidated and separate statements of financial position (continued)**  
*as at 31 March 2018*

	Note	The Group		The Company	
		2018 USD	2017 USD	2018 USD	2017 USD
<b>Equity</b>					
Stated capital	11	35,948,227	35,948,227	35,948,227	35,948,227
Other reserve		138,244,014	138,244,014	113,896,656	113,896,656
Treasury shares	12	(5,858,746)	(5,858,746)	(5,858,746)	(5,858,746)
Translation reserve		(1,393,177)	(1,372,490)	-	-
Revaluation reserve		2,223,298,518	1,664,087,152	2,343,434,533	1,782,194,212
Revenue reserve		228,746,805	221,197,507	162,759,030	157,283,864
<b>Total equity attributable to owners of the Company</b>		<b>2,618,985,641</b>	<b>2,052,245,664</b>	<b>2,650,179,700</b>	<b>2,083,464,213</b>
<b>Non-controlling interests</b>	13	<b>33,450,104</b>	<b>25,746,046</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>2,652,435,745</b>	<b>2,077,991,710</b>	<b>2,650,179,700</b>	<b>2,083,464,213</b>
<b>Non-current liabilities</b>					
Loan	15	200,000,000	150,000,000	200,000,000	150,000,000
<b>Current liabilities</b>					
Other payables	14	3,866,068	4,117,870	3,709,207	4,020,165
Tax payable	6	34,934	-	-	-
<b>Total current liabilities</b>		<b>3,901,002</b>	<b>4,117,870</b>	<b>3,709,207</b>	<b>4,020,165</b>
<b>Total liabilities</b>		<b>203,901,002</b>	<b>154,117,870</b>	<b>203,709,207</b>	<b>154,020,165</b>
<b>Total equity and liabilities</b>		<b>2,856,336,747</b>	<b>2,232,109,580</b>	<b>2,853,888,907</b>	<b>2,237,484,378</b>

These Consolidated and separate financial statements have been approved and authorised for issue by the

Board of directors on .....12.. August..2018..... and signed on its behalf by

  
 Director

  
 Director

## IndusInd International Holdings Ltd and its subsidiaries

### Consolidated and separate statements of changes in equity for the year ended 31 March 2018

#### The Group

	----- Attributable to owners of the Company ----->								
	Stated capital USD	Other reserve USD	Treasury shares USD	Translation reserve USD	Revaluation Reserve USD	Revenue reserve USD	Total USD	Non - controlling interests USD	Total equity USD
<b>Balance at 1 April 2016</b>	35,948,227	24,347,358	(11,856,642)	(1,405,416)	1,018,660,405	219,645,850	1,285,339,782	16,239,428	1,301,579,210
<b>Total comprehensive income</b>	-	-	-	-	-	3,125,455	3,125,455	76,709	3,202,164
Profit for the year	-	-	-	32,926	645,426,747	-	645,459,673	9,510,279	654,969,952
Other comprehensive income	-	-	-	32,926	645,426,747	3,125,455	648,585,128	9,586,988	658,172,116
<b>Total comprehensive income for the year</b>	-	-	-	32,926	645,426,747	3,125,455	648,585,128	9,586,988	658,172,116
<b>Transactions with owners of the Company</b>									
<b>Contributions and distributions</b>									
Shares bought back	-	-	(20,000)	-	-	(60,000)	(80,000)	-	(80,000)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(80,370)	(80,370)
Dividends paid (Note 16)	-	-	-	-	-	(1,444,595)	(1,444,595)	-	(1,444,595)
Dividend prior year	-	-	-	-	-	(4,370)	(4,370)	-	(4,370)
Bonds recalculation	-	-	-	-	-	3,750	3,750	-	3,750
Reclassification of dividend payable	-	-	-	-	-	(68,583)	(68,583)	-	(68,583)
Rights issue	-	114,340,024	6,017,896	-	-	-	120,357,920	-	120,357,920
Capitalisation of expenses	-	(443,368)	-	-	-	-	(443,368)	-	(443,368)
<b>Total contributions and distributions</b>	-	113,896,656	5,997,896	-	-	(1,573,798)	118,320,754	(80,370)	118,240,384
<b>Balance at 31 March 2017</b>	35,948,227	138,244,014	(5,858,746)	(1,372,490)	1,664,087,152	221,197,507	2,052,245,664	25,746,046	2,077,991,710

**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of changes in equity (continued)**  
*for the year ended 31 March 2018*

**The Group (continued)**

	←----- Attributable to owners of the Company ----->								
	Stated capital USD	Other reserve USD	Treasury shares USD	Translation reserve USD	Revaluation Reserves USD	Revenue reserve USD	Total USD	Non - controlling interests USD	Total equity USD
Balance at 1 April 2017	35,948,227	138,244,014	(5,858,746)	(1,372,490)	1,664,087,152	221,197,507	2,052,245,664	25,746,046	2,077,991,710
<b>Total comprehensive income</b>									
Profit for the year	-	-	-	-	-	9,354,672	9,354,672	121,214	9,475,886
Other comprehensive income	-	-	-	(20,687)	559,211,366	-	559,190,679	7,582,844	566,773,523
<b>Total comprehensive income for the year</b>									
Transactions with owners of the Company									
Contributions and distributions									
Current year dividend declared (Note 16)	-	-	-	-	-	(1,805,374)	(1,805,374)	-	(1,805,374)
<b>Total contributions and distributions</b>									
Balance at 31 March 2018	35,948,227	138,244,014	(5,858,746)	(1,393,177)	2,223,298,518	228,746,805	2,618,985,641	33,450,104	2,652,435,745

## IndusInd International Holdings Ltd and its subsidiaries

### Consolidated and separate statements of changes in equity (continued) for the year ended 31 March 2018

#### The Company

	Stated capital USD	Treasury shares USD	Revaluation reserve USD	Revenue reserve USD	Other reserve USD	Total equity USD
Balance at 1 April 2016	35,948,227	(11,856,642)	1,138,987,524	121,004,785	-	1,284,083,894
Total comprehensive income for the year	-	-	-	37,852,877	-	37,852,877
Profit for the year	-	-	-	-	-	-
Other comprehensive income	-	-	643,206,688	-	-	643,206,688
Total comprehensive income for the year	-	-	643,206,688	-	-	643,206,688
Transactions with owners of the Company						
Contributions and distributions						
Shares bought-back	-	(20,000)	-	(60,000)	-	(80,000)
Current year dividend paid (Note 16)	-	-	-	(1,444,595)	-	(1,444,595)
Bonds recalled	-	-	-	3,750	-	3,750
Dividend prior year	-	-	-	(4,370)	-	(4,370)
Reclassification of dividend payable	-	-	-	(68,583)	-	(68,583)
Right issue	-	6,017,896	-	-	114,340,024	120,357,920
Capitalisation of expenses	-	-	-	-	(443,368)	(443,368)
Balance at 31 March 2017	35,948,227	(5,858,746)	1,782,194,212	157,283,864	113,896,656	2,083,464,213



**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of changes in equity (continued)  
for the year ended 31 March 2018**

**The Company (continued)**

	Stated capital USD	Treasury shares USD	Revaluation reserve USD	Revenue reserve USD	Other reserve USD	Total equity, USD
<b>Balance at 1 April 2017</b>	35,948,227	(5,858,746)	1,782,194,212	157,283,864	113,896,656	2,083,464,213
<b>Total comprehensive income for the year</b>	-	-	-	7,280,540	-	7,280,540
<b>Other comprehensive income</b>	-	-	561,240,321	-	-	561,240,321
<b>Total comprehensive income for the year</b>	-	-	561,240,321	7,280,540	-	568,520,861
<b>Transactions with owners of the Company</b>						
<b>Distributions</b>	-	-	-	(1,805,374)	-	(1,805,374)
Current year dividend declared (Note 16)						
<b>Balance at 31 March 2018</b>	35,948,227	(5,858,746)	2,343,434,533	162,759,030	113,896,656	2,650,179,700

## IndusInd International Holdings Ltd and its subsidiaries

### Consolidated and separate statements of cash flows

for the year ended 31 March 2018

	The Group		The Company	
	2018	2017	2018	2017
	USD	USD	USD	USD
<b>Cash flows from operating activities</b>				
Profit for the year	9,475,886	3,202,164	7,280,540	37,852,877
<i>Adjustments for:</i>				
Interest income	(3,776,863)	(1,049,277)	(3,768,573)	(1,049,215)
Interest expense	6,721,929	2,961,794	6,721,929	2,961,794
Dividend income	(8,386,359)	(5,912,090)	(6,158,677)	(5,813,844)
Realised gain on disposal of investment	(5,334,911)	-	(5,334,911)	(34,767,067)
Share of profit of associate (net of tax)	(118,198)	(109,587)	-	-
Taxation	66,491	42,063	-	-
	(1,352,025)	(864,933)	(1,259,692)	(815,455)
Change in other receivables and prepayments	(463,195)	208,885	1,736,433	195,137
Change in other payables	479,422	(5,533,516)	420,266	(5,537,362)
<b>Cash (used in)/generated from operating activities</b>	(1,335,798)	(6,189,564)	897,007	(6,157,680)
Income tax paid	(31,557)	(42,584)	-	-
Income tax refunded	1,042	-	-	-
Interest paid	(6,545,579)	(2,961,794)	(6,545,579)	(2,961,794)
<b>Net cash used in operating activities</b>	(7,911,892)	(9,193,942)	(5,648,572)	(9,119,474)
<b>Cash flows from investing activities</b>				
Interest received	3,776,863	1,049,277	3,768,573	1,049,215
Dividend received	8,386,359	5,912,090	6,158,677	5,813,844
Acquisition of investments	(32,385,733)	(175,785,517)	(32,385,733)	(175,815,517)
Disposal proceeds of investments	11,510,659	-	11,510,659	-
Loan to third party	(11,000,000)	-	(11,000,000)	-
<b>Net cash used in investing activities</b>	(19,711,852)	(168,824,150)	(21,947,824)	(168,952,458)
<b>Cash flows from financing activities</b>				
Dividend paid	(889,726)	(1,444,595)	(889,726)	(1,444,595)
Prior year dividends paid	-	(4,370)	-	(4,370)
Payment on buy-back of shares	-	(80,000)	-	(80,000)
Re-classification of dividend payable	-	(68,583)	-	(68,583)
Payment of Bonds	(1,823,222)	(2,641,725)	(1,823,222)	(2,641,725)
Loan proceeds	50,000,000	150,000,000	50,000,000	150,000,000
Right issue	-	120,357,920	-	120,357,920
Right issue expenses	-	(443,368)	-	(443,368)
<b>Net cash flow from financing activities</b>	47,287,052	265,675,279	47,287,052	265,675,279
<b>Net increase in cash and cash equivalents</b>	19,663,308	87,657,187	19,690,656	87,603,347
Cash and cash equivalent at 1 April	94,451,901	6,794,714	94,397,836	6,794,489
Cash and cash equivalent at 31 March	114,115,209	94,451,901	114,088,492	94,397,836

## **IndusInd International Holdings Ltd and its subsidiaries**

### **Notes to the consolidated and separate financial statements**

*for the year ended 31 March 2018*

#### **1. General information**

The Company was incorporated as a public limited company in the Republic of Mauritius on 4 October 1993. The consolidated and separate financial statements for the year ended 31 March 2018 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in associate. The principal activity of the Company and the Group is that of investment holding.

The Company as a holder of a Category 1 Global Business Licence under the Companies Act and the Financial Services Act 2007 is required to carry on its business in a currency other than the Mauritian rupee. Since the Company operates in an international environment and conducts most of its transactions in foreign currencies the Company has chosen to retain the United States Dollar (USD) as its reporting currency.

#### **2. Basis of preparation**

##### *(a) Statement of compliance*

The consolidated and separate financial statements as at and for the year ended 31 March 2018 as issued by the International Accounting Standards Board (IASB) have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and the Mauritius Companies Act as applicable to GBL 1 companies.

##### *(b) Basis of measurement*

The consolidated and separate financial statements have been prepared on a historical cost basis except for financial assets and financial liabilities which are fair valued.

##### *(c) Functional and presentation currency*

The consolidated and separate financial statements are presented in United States Dollar (USD) which is the Company’s and Group’s functional currency. All amounts have been rounded to the nearest dollar, unless otherwise indicated.

##### *(d) Use of estimates and judgement*

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

##### *(i) Judgement*

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated and separate financial statements is included in the following note:

Functional and presentation currency: -Functional currency is the currency of the primary economic environment of the Group and the Company operates. If indicators of the primary economic environment are mixed, then management used its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The majority of the Company transactions are denominated in USD. The expenses are denominated and paid in USD. Accordingly, management has determined that the functional currency of the Company and the Group is USD.

## **IndusInd International Holdings Ltd and its subsidiaries**

### **Notes to the consolidated and separate financial statements** *for the year ended 31 March 2018*

#### **2. Basis of preparation (continued)**

##### *(d) Use of estimates and judgement (continued)*

##### *(ii) Assumptions and estimation uncertainties*

Information about assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment in the year ended 31 March 2018 is included in the following note:

- Note 18 relates to the determination of the fair value of financial instruments with significant unobservable inputs

##### Measurement of fair values

A number of the Company's and Group's accounting policies and disclosures require the measurement of fair value, for both financial and non-financial assets and liabilities.

The Company and Group have established control framework with respect to the measurement of fair values. When measuring fair value of an asset or a liability, the Company and Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs on the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

#### **3. Significant accounting policies**

The Group and the Company have consistently applied the following accounting policies to all periods presented in these consolidated and separate financial statements.

##### *(a) Revenue recognition*

##### *Dividend income*

Dividend income is recognised in the consolidated and separate statement of profit or loss and other comprehensive income on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

## **IndusInd International Holdings Ltd and its subsidiaries**

### **Notes to the consolidated and separate financial statements for the year ended 31 March 2018**

#### **3. Significant accounting policies (continued)**

##### **(b) Basis of consolidation**

###### **(i) Subsidiaries**

A subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of the subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Investment in subsidiaries in the separate statement of financial position are measured at fair value through other comprehensive income (OCI).

###### **(ii) Non-controlling interest**

Non-controlling interest in the equity and results of the entities that are controlled by the Group is shown as a separate item in the consolidated financial statements.

Non-controlling interest is measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

###### **(iii) Loss of control**

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

###### **(iv) Investments in associate**

The Group's interests in equity-accounted investees comprise interests in associates. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated and separate financial statements include the Group's share of the profit or loss and other comprehensive income (OCI) of equity-accounted investees, until the date on which significant influence or joint control ceases.

###### **(v) Transactions eliminated on consolidation**

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2018

#### 3. Significant accounting policies (continued)

##### (c) Finance income and finance costs

The Group's and Company's finance income and finance costs include:

- Interest income;
- Interest expense; and
- The foreign currency gain or loss on financial assets and financial liabilities.

##### (i) Interest income

Interest income relates to bank interest received and is recognised, using the effective interest method.

##### (ii) Interest expense

Interest expense is recognised on borrowings that are recognised in the consolidated and separate statement of profit or loss and other comprehensive income.

##### (iii) Foreign currency gain or loss

Transactions in foreign currencies are translated at the foreign exchange rate at the date of transaction. Foreign exchange differences arising on translation are recognised in the statement of profit or loss and other comprehensive income.

##### (d) Taxation

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

##### (i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

##### (ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

## **IndusInd International Holdings Ltd and its subsidiaries**

### **Notes to the consolidated and separate financial statements** *for the year ended 31 March 2018*

#### **3. Significant accounting policies (continued)**

##### **(d) Taxation (continued)**

##### **(ii) Deferred tax (continued)**

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

##### **(e) Foreign currency transactions**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to United States Dollar (USD) at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Foreign exchange differences arising on translation are recognised in the consolidated and separate statement of profit or loss and other comprehensive Income. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

However, foreign currency differences arising from the translation of the following items are recognised in OCI.

- Available-for-sale equity investments (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss).

##### **(f) Impairment**

##### **(i) Non derivative financial assets**

Financial assets not classified as at fair value through profit and loss are assessed at each reporting period date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- Default or delinquency by a debtor;
- Restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- Indication that a debtor or issuer will enter bankruptcy;
- Adverse changes in the payment status of borrowers or issuers;
- The disappearance of an active market for the security; or
- Observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2018

#### 3. Significant accounting policies (continued)

##### (f) Impairment (continued)

##### (i) Non derivative financial assets (continued)

For an investment in an equity security, objective evidence of impairment includes a significant or prolonged decline in its fair value below its cost. The Group and the Company consider a decline of 20% to be significant and a period of nine months to be prolonged.

##### *Financial assets measured at amortised cost*

The Group and the Company consider evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group and the Company uses historical information on the timing of recoveries and the amount of loss incurred and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Group and the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

##### *Available-for-sale financial assets*

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortisation) and the current fair value, less any impairment loss previously recognised in profit or loss. If the fair value of an impaired available-for-sale debt security subsequently increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed through profit or loss; otherwise, it is reversed through OCI.

##### (ii) Equity-accounted investees

An impairment loss in respect of an equity-accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit or loss and is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.



## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2018

#### 3. Significant accounting policies (continued)

##### (g) Financial instruments

The Group and Company classify non-derivative financial assets into the following categories: loans and receivables and available-for-sale financial assets.

The Group and company classify non-derivative financial liabilities into the other financial liabilities category.

##### *Non-derivative financial assets and financial liabilities - Recognition and derecognition*

The Group and Company initially recognise loans and receivables and debt securities issued on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date.

The Group and Company derecognise a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group and the Company is recognised as a separate asset or liability.

The Group and Company derecognise a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial assets and financial liabilities are offset and the net amount presented in the consolidated and separate statement of financial position when, and only when, the Group and the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

##### *Non-derivative financial assets - Measurement*

##### Loans and receivables

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Loans and receivables comprises of other receivables and cash and cash equivalents.

##### Available-for-sale financial assets

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on debt instruments, are recognised in OCI and accumulated in the fair value reserve. When these assets are derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

## **IndusInd International Holdings Ltd and its subsidiaries**

### **Notes to the consolidated and separate financial statements for the year ended 31 March 2018**

#### **3. Significant accounting policies (continued)**

##### **(g) Financial instruments (continued)**

###### *Cash and cash equivalents*

Cash comprises of cash balances. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Bank overdraft that is repayable on demand and forms an integral part of the Group's and the Company's cash management is included as a component of cash and cash equivalents for the purpose of the consolidated and separate statement of cash flows.

###### *Non-derivative financial liabilities - Measurement*

Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. Non-derivative financial liabilities comprise of bonds and other payables.

##### **(h) Provisions**

Provisions are recognised in the consolidated and separate statement of financial position when the Group and Company has a legal or constructive obligation as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

##### **(i) Stated capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

##### **(j) Treasury shares**

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

##### **(k) Operating lease**

Payments made under operating leases are recognised in consolidated and separate statement of profit or loss and other comprehensive income on a straight-line basis over the term of the lease. Assets held under operating leases are not recognised in the Group's and Company's statement of financial position.

##### **(l) Application of new and revised International Financial Reporting Standards (IFRSs)**

In the current year, the Group has applied a number new and revised IFRSs issued by the International Accounting Standards Board (the "IASB") that are mandatorily effective for an accounting period that begins on or after 1 April 2017.

## **IndusInd International Holdings Ltd and its subsidiaries**

### **Notes to the consolidated and separate financial statements**

*for the year ended 31 March 2018*

#### **3. Significant accounting policies (continued)**

##### **(l) Application of new and revised International Financial Reporting Standards (IFRSs) (continued)**

###### *Standards and Interpretations adopted with no effect on the financial statements*

The following new and revised Standards and Interpretations have been adopted in these financial statements. Their adoption has not had any significant impacts on the amounts reported in these financial statements but may affect the accounting for future transactions or arrangements.

- IAS 7 Statement of Cash Flows Amendments as result of the Disclosure initiative
- IAS 12 Income Taxes Amendments regarding the recognition of deferred tax assets for unrealised losses
- IFRS 12 Disclosure of Interests in Other Entities Amendments resulting from Annual Improvements 2014 - 2016 Cycle (clarifying scope)

###### *New and revised IFRS in issue but not yet applied*

At the date of authorisation of these financial statements, the following relevant new and revised Standards were in issue but effective on annual periods beginning on or after the respective dates as indicated:

- IAS 12 Income Taxes Amendments resulting from Annual Improvements 2015-2017 Cycle (income tax consequences of dividends) (effective 1 January 2019)
- IAS 28 Investments in Associates and Joint Ventures Amendments resulting from Annual Improvements 2014-2016 Cycle (clarifying certain fair value measurements) (effective 1 January 2018)
- IAS 28 Investments in Associates and Joint Ventures Amendments regarding long-term interests in associates and joint ventures (effective 1 January 2019)
- IAS 39 Financial Instruments: Recognition and Measurement - Amendments to permit an entity to elect to continue to apply the hedge accounting requirements in IAS 39 for a fair value hedge of the interest rate exposure of a portion of a portfolio of financial assets or financial liabilities when IFRS 9 is applied, and to extend the fair value option to certain contracts that meet the 'own use' scope exception (effective 1 January 2018)
- IFRS 7 Financial Instruments: Disclosures - Additional hedge accounting disclosures (and consequential amendments) resulting from the introduction of the hedge accounting chapter in IFRS 9 (effective 1 January 2018)
- IFRS 7 Financial Instruments: Disclosures - Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures (effective 1 January 2018)
- IFRS 9 Financial Instruments Finalised version, incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition (effective 1 January 2018)
- IFRS 9 Financial Instruments Amendments regarding the interaction of IFRS 4 and IFRS 9 (effective 1 January 2018)
- IFRS 9 Financial Instruments Amendments regarding prepayment features with negative compensation and modifications of financial liabilities (effective 1 January 2019)
- IFRS 9 Financial Instruments Amendments regarding prepayment features with negative compensation and modifications of financial liabilities (effective 1 January 2019)
- IFRS 10 Consolidated Financial Statements Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture (deferred indefinitely)

## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2018

#### 3. Significant accounting policies (continued)

##### (l) Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

*New and revised IFRS in issue but not yet applied (continued)*

IFRS 15	Revenue from Contracts with Customers Original issue (effective 1 January 2018)
IFRS 15	Revenue from Contracts with Customers Amendments to defer the effective date to 1 January 2018 (effective 1 January 2018)
IFRS 15	Revenue from Contracts with Customers Clarifications to IFRS 15 (effective 1 January 2018)
IFRS 16	Leases Original issue (effective 1 January 2019)
IFRIC 22	Foreign Currency Transactions and Advance Consideration (effective 1 January 2018)
IFRIC 23	Uncertainty over Income Tax Treatments (effective 1 January 2019)

#### 4. Revenue

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
Dividend income	<u>8,386,359</u>	<u>5,912,090</u>	<u>6,158,677</u>	<u>5,813,844</u>

#### 5. Net finance costs

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
<b>Finance income</b>				
Interest received	3,776,863	1,049,277	3,768,573	1,049,215
Exchange gain	5,047	6	5,047	6
	<u>3,781,910</u>	<u>1,049,283</u>	<u>3,773,620</u>	<u>1,049,221</u>
<b>Finance cost</b>				
Bank charges	(33,792)	(34,884)	(32,793)	(33,796)
Interest paid	(6,721,929)	(2,961,794)	(6,721,929)	(2,961,794)
Exchange loss	(2,751)	-	(2,751)	-
	<u>(6,758,472)</u>	<u>(2,996,678)</u>	<u>(6,757,473)</u>	<u>(2,995,590)</u>
<b>Net finance costs</b>	<u>(2,976,562)</u>	<u>(1,947,395)</u>	<u>(2,983,853)</u>	<u>(1,946,369)</u>

## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2018

#### 6. Taxation

##### *The Group & the Company*

The Group and the Company is subject to income tax in Mauritius at the rate of 15%. It is, however, entitled to a tax credit equivalent to the higher of the foreign tax paid or 80% of the Mauritian tax on its foreign source income.

As a tax resident of Mauritius, the Company expects to obtain benefits under the double taxation treaty between India and Mauritius ("DTAA"). In 2016, the governments of India and Mauritius revised the existing DTAA where certain changes have been brought to the existing tax benefits. The revised DTAA provides for capital gains arising on disposal of shares acquired by a Mauritius company on or after 1 April 2017 to be taxed in India. However, investments in shares acquired up to 31 March 2017 are exempted from capital gains tax in India irrespective of the date of disposal. In addition, shares acquired as from 1 April 2017 and disposed of by 31 March 2019 will be taxed at a concessionary rate equivalent to 50% of the domestic tax rate prevailing in India provided the Mauritius company meets the prescribed limitation of benefits clause, which includes a minimum expenditure level in Mauritius.

Disposal of investments made by a Mauritian company in Indian financial instruments other than shares (such as limited partnerships, options, futures, warrants, debentures, and other debt instruments) are not impacted by the change and will continue to be exempted from capital gains tax in India.

As per the revised DTAA, interest arising in India to Mauritian residents are subject to withholding tax in India at the rate of 7.5% in respect of debt claims or loans made after 31 March 2017.

Recognised in consolidated and separate statement of profit or loss and other comprehensive income.

##### Current tax expense

	The Group		The Company	
	2018	2017	2018	2017
	USD	USD	USD	USD
Current year income tax	(66,491)	(42,063)	-	-

##### Reconciliation of effective tax

	The Group		The Company	
	2018	2017	2018	2017
	USD	USD	USD	USD
Profit before taxation	9,542,377	3,244,227	7,280,540	37,852,877
Income tax at 15%	1,431,356	486,634	1,092,081	5,677,932
Tax exempt revenues	(821,115)	(62)	(802,081)	(5,215,060)
Non-allowable expenses	1,189,044	390,437	1,186,916	475,654
Unutilised tax losses	10,085	-	-	-
Foreign Tax credit	(1,742,879)	(919,072)	(1,476,916)	(938,526)
Tax expense	66,491	42,063	-	-

## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2018

#### 6. Taxation (continued)

The tax losses for the Group are available to carry forward against future profits by latest over the following years:

<u>Financial year</u>	<u>Expiry date</u>	<u>Tax losses</u> USD
2018	2023	67,233

#### *Consolidated and separate statement of financial position*

	<b>The Group</b>		<b>The Company</b>	
	<b>2018</b> USD	<b>2017</b> USD	<b>2018</b> USD	<b>2017</b> USD
At 01 April	(1,042)	(521)	-	-
Current year income tax	66,491	42,063	-	-
Tax refund	1,042	-	-	-
Tax paid	(31,557)	(42,584)	-	-
Income tax payable/ (receivable)	<u>34,934</u>	<u>(1,042)</u>	<u>-</u>	<u>-</u>

#### 7. Investments in associate

##### *The Group*

	<b>2018</b> USD	<b>2017</b> USD
<i>Cost</i>		
At 31 March	<u>248,930</u>	<u>248,930</u>
<i>Unrealised appreciation</i>		
At 01 April 2017 and 01 April 2016	1,398,203	1,225,690
Movement during the year	97,511	142,513
At 31 March	<u>1,495,714</u>	<u>1,398,203</u>
<i>Carrying value</i>		
At 31 March	<u>1,744,644</u>	<u>1,647,133</u>

#### 7a. Analysis of investments in associate

##### *The Group*

<i>Name of company</i>	<i>Country of incorporation</i>	<i>% held</i>	<i>Principal activity</i>	<i>Initial Cost</i> USD 2018 and 2017	<i>Carrying amount</i> USD 2018	<i>Carrying amount</i> USD 2017
<b>Associate</b>						
IndusInd Information Technology Limited	India	49.99	Software development	<u>248,930</u>	<u>1,744,644</u>	<u>1,647,133</u>

## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2018

#### 7a. Analysis of investments in associate (continued)

The Group (continued)

Investments in IndusInd Information Technology Limited consist of unquoted shares:

	<b>Carrying amount 2018 USD</b>	Carrying amount 2017 USD
Cost	248,930	248,930
Share of profit for prior years	2,209,695	2,100,108
Company's share of profit of associate for the year	118,198	109,587
Exchange difference on re-translation	(832,179)	(811,492)
<b>At 31 March</b>	<b><u>1,744,644</u></b>	<b><u>1,647,133</u></b>

#### 7b. Investment in IndusInd Information Technology Limited

Summarised financial information in respect of the associate is set out below:

	2018 USD	2017 USD
Total current assets	3,542,031	3,327,732
Total current liabilities	(52,045)	(32,807)
Net assets	<u>3,489,986</u>	<u>3,294,925</u>
Group's share of associate's net assets (49.99%)	<u>1,744,644</u>	<u>1,647,133</u>

	2018 USD	2017 USD
Revenue	331,749	280,680
Profit for the year	<u>236,444</u>	<u>219,218</u>
Group's share of profit of associate (49.99%)	<u>118,198</u>	<u>109,587</u>

#### The Company

	2018 USD	2017 USD
<i>Cost / Carrying value</i>		
At 01 April 2017 and 31 March 2018	<u>248,930</u>	<u>248,930</u>

## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2018

#### 8. Available-for-sale investments

Available-for-sale investments consist of unquoted and quoted shares. Quoted shares are listed on the Bombay Stock Exchange. The market value has been obtained from the National Stock Exchange as at 31 March 2018.

##### The Group - 2018

	Quoted USD	Unquoted USD	Total USD
<i>Cost</i>			
At 01 April 2017	184,143,101	167,900,228	352,043,329
Additions	6,000,000	26,385,733	32,385,733
Disposals	-	(6,175,748)	(6,175,748)
<b>At 31 March 2018</b>	<b>190,143,101</b>	<b>188,110,213</b>	<b>378,253,314</b>
<i>Unrealised appreciation/(depreciation)</i>			
At 01 April 2017	1,748,796,702	35,166,512	1,783,963,214
Movement during the year	506,493,398	60,300,812	566,794,210
<b>At 31 March 2018</b>	<b>2,255,290,100</b>	<b>95,467,324</b>	<b>2,350,757,424</b>
<i>Market value</i>			
<b>At 31 March 2018</b>	<b>2,445,433,201</b>	<b>283,577,537</b>	<b>2,729,010,738</b>

##### The Group - 2017

	Quoted USD	Unquoted USD	Total USD
<i>Cost</i>			
At 01 April 2016	169,393,101	6,864,711	176,257,812
Additions/ (Disposal)	14,750,000	161,035,517	175,785,517
<b>At 31 March 2017</b>	<b>184,143,101</b>	<b>167,900,228</b>	<b>352,043,329</b>
<i>Unrealised appreciation/(depreciation)</i>			
At 01 April 2016	1,124,592,572	4,433,617	1,129,026,189
Movement during the year	624,204,130	30,732,895	654,937,025
<b>At 31 March 2017</b>	<b>1,748,796,702</b>	<b>35,166,512</b>	<b>1,783,963,214</b>
<i>Market value</i>			
<b>At 31 March 2017</b>	<b>1,932,939,803</b>	<b>203,066,740</b>	<b>2,136,006,543</b>



## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2018

#### 8. Available-for-sale investments (continued)

##### The Company - 2018

	Quoted USD	Unquoted USD	Total USD
<i>Cost</i>			
At 1 April 2017	119,803,261	167,900,228	287,703,489
Additions	6,000,000	26,385,733	32,385,733
Disposals	-	(6,175,748)	(6,175,748)
	-----	-----	-----
<b>At 31 March 2018</b>	<b>125,803,261</b>	<b>188,110,213</b>	<b>313,913,474</b>
	=====	=====	=====
<i>Unrealised appreciation/(depreciation)</i>			
At 1 April 2017	1,325,218,447	35,166,512	1,360,384,959
Movement during the year	372,045,823	60,300,812	432,346,635
	-----	-----	-----
<b>At 31 March 2018</b>	<b>1,697,264,270</b>	<b>95,467,324</b>	<b>1,792,731,594</b>
	=====	=====	=====
<i>Market value</i>			
<b>At 31 March 2018</b>	<b>1,823,067,531</b>	<b>283,577,537</b>	<b>2,106,645,068</b>
	=====	=====	=====

##### The Company - 2017

	Quoted USD	Unquoted USD	Total USD
<i>Cost</i>			
At 1 April 2016	108,545,568	6,864,711	115,410,279
Additions/ (Disposal)	11,257,693	161,035,517	172,293,210
	-----	-----	-----
<b>At 31 March 2017</b>	<b>119,803,261</b>	<b>167,900,228</b>	<b>287,703,489</b>
	=====	=====	=====
<i>Unrealised appreciation/(depreciation)</i>			
At 1 April 2016	869,636,278	4,433,617	874,069,895
Movement during the year	455,582,169	30,732,895	486,315,064
	-----	-----	-----
<b>At 31 March 2017</b>	<b>1,325,218,447</b>	<b>35,166,512</b>	<b>1,360,384,959</b>
	=====	=====	=====
<i>Market value</i>			
<b>At 31 March 2017</b>	<b>1,445,021,708</b>	<b>203,066,740</b>	<b>1,648,088,448</b>
	=====	=====	=====

#### 8a. Net change in fair value of available for sale financial assets

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
Reclassification to profit or loss on disposal	1,944,488	-	1,944,488	34,767,067
Fair value movement during the year(Notes 8 and 9)	564,849,722	654,937,026	559,295,833	608,439,621
	-----	-----	-----	-----
	<b>566,794,210</b>	<b>654,937,026</b>	<b>561,240,321</b>	<b>643,206,688</b>
	=====	=====	=====	=====

## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2018

#### 8. Available-for-sale investments (continued)

##### 8b. Portfolio of investments

###### The Group

Name of company	Country of incorporation	% held	Principal activity	Cost USD 2018	Market value USD 2018	Cost USD 2017	Market value USD 2017
<b>Available-for-sale investments</b>							
IndusInd Media & Communication Ltd (unquoted)	India	10.06%	Telecom Communications	76,775,870	72,205,420	76,775,870	72,407,565
Hinduja Leyland Finance* (Unquoted)	India	20.09%	Non-Banking Finance Company	111,334,343	211,372,117	91,124,358	130,659,175
IndusInd Bank Limited** (Quoted)	India	14.97%	Banking services	190,143,101	2,445,433,201	184,143,101	1,932,939,803
<b>Total</b>				<b>378,253,314</b>	<b>2,729,010,738</b>	<b>352,043,329</b>	<b>2,136,006,543</b>

###### The Company

Name of company	Country of incorporation	% held	Principal activity	Cost USD 2018	Market value USD 2018	Cost USD 2017	Market value USD 2017
<b>Available-for-sale investments</b>							
IndusInd Media & Communication Ltd (unquoted)	India	10.06%	Telecom Communications	76,775,870	72,205,420	76,775,870	72,407,565
Hinduja Leyland Finance* (Unquoted)	India	20.09%	Non-Banking Finance Company	111,334,343	211,372,117	91,124,358	130,659,175
IndusInd Bank Limited** (Quoted)	India	11.00%	Banking services	125,803,261	1,823,067,531	119,803,261	1,445,021,708
<b>Total</b>				<b>313,913,474</b>	<b>2,106,645,068</b>	<b>287,703,489</b>	<b>1,648,088,448</b>

\* The Company does not have significant influence over Hinduja Leyland Finance, therefore equity accounting as per IAS 28 - Investments in Associates is not applicable.

\*\* IndusInd International Holdings Ltd (the "Donor") holds 67,038,208 ordinary shares of par value INR 10 in Indusind Bank Ltd (IBL). During the year ended 31 March 2017, the Donor donated 4,300,000 shares of IBL to IndusInd Ltd by way of gift. IndusInd Ltd had in turn transferred the lock in shares of IBL to the extent of 2,143,136. Both the transactions were made by way of gift. The donation was made without consideration.

23,800,000 shares of IndusInd Bank Limited have been pledged as security for the loan from Citibank.

###### Available-for-sale investments

Indusind Media & Communication Ltd (Unquoted)

###### Restriction on disposal of shares

The disposal of shares shall be subject to the extant FDI policy, applicable FEMA regulations and RBI guidelines as may be prescribed from time to time.

IndusInd Bank Limited (Quoted)

The 8,781,360 shares allotted under preferential basis are locked-in up to 14 August 2018.

## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2018

#### 9. Investment in subsidiaries

##### The Company

	2018 USD	2017 USD
<i>Cost</i>		
At 31 March 2017 and 01 April 2016	45,068,792	6,779,417
Additions	-	38,289,375
	<u>45,068,792</u>	<u>45,068,792</u>
<i>Unrealised Appreciation</i>		
At 31 March 2017 and 01 April 2016	421,809,253	264,917,630
Movement during the year	128,893,686	156,891,623
	<u>550,702,939</u>	<u>421,809,253</u>
<i>Market value</i>		
At 31 March	<u>595,771,731</u>	<u>466,878,045</u>

#### 9a. Portfolio of investments

<i>Name of company</i>	<i>Country of incorporation</i>	<i>% held</i>	<i>Principal Activity</i>	<b>Cost USD 2018</b>	<b>Market value USD 2018</b>	<b>Cost USD 2017</b>	<b>Market value USD 2017</b>
<b>Subsidiaries</b>							
IndusInd Ltd	Mauritius	94.36%	Investment holding	45,038,792	595,741,731	45,038,792	466,848,045
IndusInd Capital Ltd	Mauritius	100%	Investment holding	10,000	10,000	10,000	10,000
IndusInd Finance Ltd	Mauritius	100%	Investment holding	10,000	10,000	10,000	10,000
IndusInd Venture Ltd	Mauritius	100%	Investment holding	10,000	10,000	10,000	10,000

#### 10. Other receivables and prepayments

	<b>The Group</b>		<b>The Company</b>	
	<b>2018 USD</b>	<b>2017 USD</b>	<b>2018 USD</b>	<b>2017 USD</b>
Prepayments	7,070	1,580	4,268	861
Loan to subsidiary*	-	-	25,671,332	27,868,877
Loan to third party**	11,000,000	-	11,000,000	-
Other receivables	459,086	1,381	459,086	1,381
	<u>11,466,156</u>	<u>2,961</u>	<u>37,134,686</u>	<u>27,871,119</u>

\* The loan to subsidiary is interest free and is repayable on demand.

\*\* The loan to third party bears interest that has not been accrued in the financial statements since the loan was granted close to year end and the effect would be immaterial. The loan bears a fixed interest rate of 4% per annum and is unsecured. The loan was repaid in June 2018.

## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2018

#### 11. Stated capital

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
<i>Issued and fully paid</i>				
Ordinary shares of USD 1 each	<u>35,948,227</u>	<u>35,948,227</u>	<u>35,948,227</u>	<u>35,948,227</u>

All shares in issue are fully paid up.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company but this provision shall be subject to the provisions with respect to voting power attached to any shares which may be subject to special conditions.

#### Nature and purpose of the reserves

##### Other reserve

Other reserve includes share premium raised on rights issue. In October 2016, the board approved the issue of 6,017,896 ordinary equity shares with a put option at par value of USD 1. Issue price for each ordinary equity share issued in 2016 is USD 20 which includes share premium of USD 19 each.

##### Revaluation reserve

The revaluation reserve relates to any surplus arising on changes in fair value of available for sale financial assets.

##### Revenue reserve

The revenue reserve includes accumulated retained earnings.

##### Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

#### 12. Treasury shares

The Company bought-back its issued shares as follows:

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
Balance at 01 April	5,858,746	11,856,642	5,858,746	11,856,642
Bought-back during the year	-	20,000	-	20,000
Right issue	-	(6,017,896)	-	(6,017,896)
<b>Balance at 31 March</b>	<u>5,858,746</u>	<u>5,858,746</u>	<u>5,858,746</u>	<u>5,858,746</u>

The treasury shares are being held by the Company and have not been cancelled. In October 2016, the Company offered 6,017,896 New Ordinary Equity Shares by way of Rights to the existing shareholders at the issue price of USD 20 for each New Ordinary Equity Shares which includes face value of US\$ 1 and premium of USD 19. The premium has been recorded in the 'Other reserve' as part of equity.

## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2018

#### 13. Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiaries that has a material NCI, before any intra-group eliminations.

2018

	USD Mauritius
Country of incorporation	
Percentage of NCI	5.64%
<i>As at 31 March 2018</i>	
Non-current assets	657,132,737
Current assets	4,482
Current liabilities	<u>(25,787,356)</u>
Net assets*	<u>631,349,863</u>
Net assets attributable to owners of the Company	597,899,759
Net assets attributable to NCI	<u>33,450,104</u>
Revenue	2,227,682
Profit	2,149,187
Other comprehensive income	134,447,573
Total comprehensive income	136,596,760
Profit attributable to NCI	121,214
OCI allocated to NCI	7,582,844
<b>NCI share of cash flow from operating activities</b>	<b>(2,218)</b>
<b>NCI share of cash flow from financing activities</b>	<b>(125,434)</b>
<b>NCI share of cash flow from investing activities</b>	<b>126,109</b>
<b>NCI share of net increase / (decrease) in cash and cash equivalents</b>	<b>(1,543)</b>

\* Net assets exclude gift of shares.

**IndusInd International Holdings Ltd and its subsidiaries**

**Notes to the consolidated and separate financial statements**  
for the year ended 31 March 2018

**13. Non-controlling interests (continued)**

**2017**

	<b>USD</b>
Country of incorporation	Mauritius
Percentage of NCI	5.64%
<i>As at 31 March 2017</i>	
Non-current assets	522,685,164
Current assets	32,946
Current liabilities	<u>(27,965,007)</u>
Net assets*	<u>494,753,103</u>
Net assets attributable to owners of the Company	469,007,057
Net assets attributable to NCI	<u>25,746,046</u>
Revenue	1,442,938
Profit	1,360,092
Other comprehensive income	168,621,961
Total comprehensive income	169,982,053
Profit attributable to NCI	76,709
OCI allocated to NCI	9,510,279
NCI share of cash flow from operating activities	(41)
NCI share of cash flow from financing activities	(79,595)
NCI share of cash flow from investing activities	81,382
NCI share of net increase / (decrease) in cash and cash equivalents	1,746

**14. Other payables**

	<b>The Group</b>		<b>The Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Dividends payable	1,229,590	313,942	1,149,220	233,572
Other creditors and accruals	587,608	108,186	511,117	90,851
Interest payable	435,956	259,606	435,956	259,606
Bonds payable	1,612,914	3,436,136	1,612,914	3,436,136
	<u>3,866,068</u>	<u>4,117,870</u>	<u>3,709,207</u>	<u>4,020,165</u>

**IndusInd International Holdings Ltd and its subsidiaries**

**Notes to the consolidated and separate financial statements**  
for the year ended 31 March 2018

**15. Loan**

	<b>2018</b>	2017
	<b>USD</b>	USD
Balance at 01 April 2017	150,000,000	-
Received during the year	50,000,000	150,000,000
	<u>200,000,000</u>	<u>150,000,000</u>
Balance at 31 March 2018	<u>200,000,000</u>	<u>150,000,000</u>

Loan payable amounting to USD 200,000,000 is due to Citibank. From 1 April 2017 to 22 March 2018, the rate of interest on loan is the percentage rate per annum which is aggregate of the applicable margin of 2.25% and LIBOR which is calculated on a daily basis. From 23 March 2018, the loan would bear a fixed rate of interest of 4.85 % p.a. The loan is secured and repayable on 19 December 2019. The loan is secured by a pledge on the shares of IndusInd Ltd held by the Company. IndusInd Ltd has in turn given a Non-Disposal undertaking for the 23,800,000 shares it holds in IndusInd Bank Limited.

**16. Dividend declared**

The Group and the Company

	<b>2018</b>	2017
	<b>USD</b>	USD
Dividend declared of USD0.06 cents per share (2017: USD0.048 cents per share)	<u>1,805,374</u>	<u>1,444,595</u>

**17. Operating lease**

*Leasing arrangements*

Operating leases relate to lease of office space with lease terms of between 1 to 3 years, with an option to renew. All operating lease contracts contain market review clauses in the event that the lessees exercise their option to renew. The lessees do not have an option to purchase the leased office space at the expiry of the lease period.

*Payments recognised as an expense*

	<b>2018</b>	2017
	<b>USD</b>	USD
Minimum lease payments	<u>16,620</u>	<u>-</u>
Non-cancellable operating lease rentals are payable as follows:		
	<b>2018</b>	2017
	<b>USD</b>	USD
Less than one year	108,752	-
Between one and three years	312,120	-
	<u>420,872</u>	<u>-</u>

**18. Financial instruments and capital management**

*Overview*

The Group and the Company have exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

## **IndusInd International Holdings Ltd and its subsidiaries**

### **Notes to the consolidated and separate financial statements** *for the year ended 31 March 2018*

#### **18. Financial instruments and capital management (continued)**

##### *Overview (continued)*

This note presents information about the Group and the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Group and the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group and the Company's activities.

##### *Credit risk*

Credit risk represents the potential loss that the Group and the Company would incur if counter parties fail to perform pursuant to the terms of their obligations to the Group and the Company. The Group and the Company limits its credit risk by carrying out transactions only with its related parties. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated and separate statement of financial position.

##### *Liquidity risk*

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they become due without incurring unacceptable losses or risking damage to the Group and the Company's reputation.

##### *Market risk*

Market risk represents the potential loss that can be caused by a change in the market value of financial instruments. The Group's and the Company's exposure to market risk is determined by a number of factors, including interest rates, foreign currency exchange rates and market volatility. The Group and the Company conduct their investment operations in a manner that seeks to exploit the potential gains in the market, while limiting its exposure to market declines.

##### *Interest rate risk*

The Group and the Company finances its operation through retained profits at market interest rates. This strategy allows it to capitalise on cheaper funding and to manage the risk on an ongoing basis.

##### *Currency risk*

The Group and the company invest in financial assets and financial liabilities denominated in Indian Rupee (INR). Consequently, the Group and the Company is exposed to the risk that the exchange rate of the USD relative to the INR may change in a manner which has a material effect on the reported values of the Group and the Company's financial assets and financial liabilities which are denominated in INR.

##### *Equity price risk*

The Group and the Company is exposed to equity price risk, which arises from available-for-sale equity securities held for investments measured at fair value. The management of the Group and Company monitors the proportion of equity securities in its investment portfolio based on market indices.



## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2018

#### 18. Financial instruments and capital management (continued)

##### *Capital management*

The Group and the Company primary objectives when managing capital are to safeguard the Group and Company's ability to continue as a going concern. As the Company is part of a larger group, the Group and the Company's sources of additional capital and policies for distribution of excess capital may also be affected by the Group's and the Company's capital management objectives.

The Company defines "capital" as including all components of equity. Trading balances that arise as a result of trading transactions with other group companies are not regarded by the Company as capital.

The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the group to which the Company belongs. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Company or the Group. The results of the directors' review of the Company's capital structure are used as a basis for the determination of the level of dividends, if any, that are declared.

##### **Categories of financial assets and financial liabilities**

##### *The Group*

The fair values for financial assets and liabilities together with the carrying amounts shown in the consolidated and separate statement of financial position are as follows:

	Available for sale financial assets USD	Loans and receivables USD	Other financial liabilities USD	Total Carrying amount USD
<b>31 March 2018</b>				
<i>Financial assets measured at fair value</i>				
Available for sale investment	2,729,010,738	-	-	2,729,010,738
<i>Financial assets not measured at fair value</i>				
Cash and cash equivalents	-	114,115,209	-	114,115,209
Other receivables	-	11,175,449	-	11,175,449
	-	125,290,658	-	125,290,658
<i>Financial liabilities not measured at fair value</i>				
Loan from Citibank	-	-	(200,000,000)	(200,000,000)
Bonds payable	-	-	(1,612,914)	(1,612,914)
Other payables	-	-	(2,241,819)	(2,241,819)
	-	-	(203,854,733)	(203,854,733)

Prepayments amounting to **USD 7,070** (2017: USD 1,580) and non-financial assets amounting to **USD 283,637** (2017: nil) have been excluded in financial assets.

**IndusInd International Holdings Ltd and its subsidiaries**

**Notes to the consolidated and separate financial statements**  
for the year ended 31 March 2018

**18. Financial instruments and capital management (continued)**

**Categories of financial assets and financial liabilities (continued)**

*The Group*

The fair values for financial assets and liabilities together with the carrying amounts shown in the consolidated and separate statement of financial position are as follows:

	Available for sale financial assets USD	Loans and receivables USD	Other financial liabilities USD	Total Carrying amount USD
<b>31 March 2017</b>				
<i>Financial assets measured at fair value</i>				
Available for sale investment	2,136,006,543	-	-	2,136,006,543
<i>Financial assets not measured at fair value</i>				
Cash and cash equivalents	-	94,451,901	-	94,451,901
Other receivables	-	1,381	-	1,381
	-	94,453,282	-	94,453,282
<i>Financial liabilities not measured at fair value</i>				
Loan from Citibank	-	-	(150,000,000)	(150,000,000)
Bonds payable	-	-	(3,436,136)	(3,436,136)
Other payables	-	-	(681,734)	(681,734)
	-	-	(154,117,870)	(154,117,870)

Prepayments amounting to **USD 7,070** (2017: USD 1,580) and non-financial assets amounting to **USD 283,637** (2017: nil) have been excluded in financial assets.

**IndusInd International Holdings Ltd and its subsidiaries**

**Notes to the consolidated and separate financial statements**  
for the year ended 31 March 2018

**18. Financial instruments and capital management (continued)**

**Categories of financial assets and financial liabilities (continued)**

*The Company*

31 March 2018	Available for sale financial assets USD	Loans and receivables USD	Other financial liabilities USD	Total Carrying amount USD
<i>Financial assets measured at fair value</i>				
Available for sale investment	2,106,645,068	-	-	2,106,645,068
	-----	-----	-----	-----
	<u>2,106,645,068</u>	<u>-</u>	<u>-</u>	<u>2,106,645,068</u>
<i>Financial assets not measured at fair value</i>				
Cash and cash equivalents	-	114,088,492	-	114,088,492
Other receivables	-	36,846,781	-	36,846,781
	-----	-----	-----	-----
	<u>-</u>	<u>150,935,273</u>	<u>-</u>	<u>150,935,273</u>
<i>Financial liabilities not measured at fair value</i>				
Loan from Citibank	-	-	(200,000,000)	(200,000,000)
Bonds payable	-	-	(1,612,914)	(1,612,914)
Other payables	-	-	(2,096,293)	(2,096,293)
	-----	-----	-----	-----
	<u>-</u>	<u>-</u>	<u>(203,709,207)</u>	<u>(203,709,207)</u>

Prepayments amounting to **USD 4,268** (2017: USD 861) and non-financial assets amounting to **USD 283,637** (2017: nil) have been excluded in financial assets.

Except for the available for sale investments, which are measured at fair value, the carrying amounts of all the other financial assets and financial liabilities approximate their fair values.

**IndusInd International Holdings Ltd and its subsidiaries**

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2018

**18. Financial instruments and capital management (continued)**

**Categories of financial assets and financial liabilities (continued)**

*The Company*

	Available for sale financial assets USD	Loans and receivables USD	Other financial liabilities USD	Total Carrying amount USD
31 March 2017				
<i>Financial assets measured at fair value</i>				
Available for sale investment	1,648,088,448	-	-	1,648,088,448
<i>Financial assets not measured at fair value</i>				
Cash and cash equivalents	-	94,397,836	-	94,397,836
Other receivables	-	27,870,258	-	27,870,258
	-	122,268,094	-	122,268,094
<i>Financial liabilities not measured at fair value</i>				
Loan from Citibank	-	-	(150,000,000)	(150,000,000)
Bonds payable	-	-	(3,436,136)	(3,436,136)
Other payables	-	-	(584,029)	(584,029)
	-	-	(154,020,165)	(154,020,165)

*Currency profile*

The currency profile of the Group and the Company's financial assets and liabilities are summarised as follows:

*The Group*

	Financial assets 2018 USD	Financial liabilities 2018 USD	Financial assets 2017 USD	Financial liabilities 2017 USD
USD	125,290,658	203,854,733	94,453,282	154,117,870
INR	2,729,010,738	-	2,136,006,543	-
	2,854,301,396	203,854,733	2,230,459,825	154,117,870

## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2018

#### 18. Financial instruments and capital management (continued)

##### Currency profile (continued)

##### The Company

	Financial assets 2018 USD	Financial liabilities 2018 USD	Financial assets 2017 USD	Financial liabilities 2017 USD
USD	150,935,273	203,697,873	122,268,094	154,020,165
INR	2,106,645,068	-	1,648,088,448	-
	<u>2,257,580,341</u>	<u>203,697,873</u>	<u>1,770,356,542</u>	<u>154,020,165</u>

##### Credit risk

All receivables balance is monitored on an ongoing basis by management. Necessary provisions are made in the financials for credit losses for amounts past due for more than one year. The Group and the Company are affiliated with reputable financial institution which are a 'Symbol of Excellence' in the Banking category of the Indian economy.

##### Exposure to credit risk

At the end of the financial year, there are no significant concentration of credit risk for receivables.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
Other receivables	11,175,449	1,381	36,846,781	27,870,258
Cash and cash equivalents	114,115,209	94,451,901	114,088,492	94,397,836
	<u>125,290,658</u>	<u>94,453,282</u>	<u>150,935,273</u>	<u>122,268,094</u>

##### Fair value estimation

The Group and the Company adopted the amendment to IFRS 7, effective on 01 January 2009. This requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The Company has classified its available-for-sale financial assets using a fair value hierarchy that reflects the significance of the inputs used in making the fair value measurements. The hierarchy has the following levels:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets;
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - inputs for the asset that are not based on observable market data (unobservable inputs).

**IndusInd International Holdings Ltd and its subsidiaries**

**Notes to the consolidated and separate financial statements  
for the year ended 31 March 2018**

**18. Financial instruments and capital management (continued)**

*Credit risk (continued)*

**Fair value estimation**

The fair value hierarchy at 31 March 2018 is as disclosed below.

*The Group - 2018*

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Available-for-sale investments	2,445,433,201	-	283,577,537	2,729,010,738

*The Company - 2018*

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Available-for-sale investments	1,823,067,531	-	283,577,537	2,106,645,068

*The Group - 2017*

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Available-for-sale investments	1,932,939,803	-	203,066,740	2,136,006,543

*The Company - 2017*

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Available-for-sale investments	1,445,021,708	-	203,066,740	1,648,088,448

The changes in available-for-sale financial assets measured at fair value using significant level 3 inputs are shown in note 8.

*Level 3 Fair Value reconciliation*

	<b>The Group and the Company</b>	
	2018 USD	2017 USD
Balance at 1 April	203,066,740	11,298,328
Additions	26,385,733	161,035,517
Disposals	(6,175,748)	-
Net change in fair value of available-for-sale investments	60,300,812	30,732,895
	<u>283,577,537</u>	<u>203,066,740</u>

## IndusInd International Holdings Ltd and its subsidiaries

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2018

### 18. Financial instruments and capital management (continued)

#### Fair value estimation (continued)

##### *Significant unobservable inputs used in measuring fair value*

The table below sets out information about significant unobservable inputs used at 31 March 2018 and 2017 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

Description	Valuation techniques	Unobservable inputs	Range of inputs	Sensitivity to changes in significant unobservable inputs
Unlisted private equity investments	Income approach / Discounted cash flows method	Projected cash flow discount rate Terminal growth rate	10% – 14% 4% - 5%	An increase in discounted rate will result in a decrease in fair values whereas an increase in terminal growth rate will result in an increase in fair values.

Some of the investee companies have reported contingencies, legal and tax disputes in their underlying financial statements which are currently ongoing.

The effects of these contingencies, legal and tax disputes have not been taken into account when ascertaining the fair value of the relevant investee companies as the outcomes were uncertain at the date of these financial statements. The Board of Directors is of the opinion that the impact of the same is not expected to be significant.

The full details of the contingencies, legal and tax disputes have been disclosed in the financial statements of the investee companies.

#### Sensitivity Analysis

##### *The Group and the Company*

The following shows the Group and the Company's sensitivity to the significant unobservable inputs, namely discount rate and terminal value growth rate.

#### Indusind Media & Communications Limited

Before sensitivity analysis	2018 USD
Fair value of quoted investments	72,205,420
<b>After sensitivity analysis based on discount rate</b> <i>0.5 decrease in discount rate</i>	
Increase in fair value of unquoted investments	3,724,062
<i>0.5 increase in discount rate</i>	
Decrease in fair value of unquoted investments	(3,310,277)

## IndusInd International Holdings Ltd and its subsidiaries

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2018

### 18. Financial instruments and capital management (continued)

#### Sensitivity Analysis (continued)

*The Group and the Company (continued)*

#### Indusind Media & Communications Limited (continued)

	2018 USD
<b>After sensitivity analysis based on terminal value growth rate</b>	
<i>0.5 decrease in terminal value growth rate</i>	
Decrease in fair value of unquoted investments	(3,310,277)
	=====
<i>0.5 increase in terminal value growth rate</i>	
Increase in fair value of unquoted investments	3,724,062
	=====
<b>Hinduja Leyland Finance</b>	
<b>Before sensitivity analysis</b>	2018 USD
Fair value of quoted investments	211,372,117
<b>After sensitivity analysis based on discount rate</b>	
<i>0.5 decrease in discount rate</i>	
Increase in fair value of unquoted investments	15,500,624
	=====
<i>0.5 increase in discount rate</i>	
Decrease in fair value of unquoted investments	(18,318,920)
	=====
<b>After sensitivity analysis based on terminal value growth rate</b>	
<i>0.5 decrease in terminal value growth rate</i>	
Decrease in fair value of unquoted investments	(14,091,477)
	=====
<i>0.5 increase in terminal value growth rate</i>	
Increase in fair value of unquoted investments	12,682,329
	=====



## IndusInd International Holdings Ltd and its subsidiaries

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2018

### 18. Financial instruments and capital management (continued)

#### Equity price sensitivity analysis (continued)

The following shows the Group and the Company's sensitivity to an increase and decrease in the equity share price by 10%. 10% is the sensitivity rate used internally by management.

#### *The Group*

	Quoted Investments 2018 USD	Quoted Investments 2017 USD
<b>Before sensitivity analysis</b>		
Fair value of quoted investments	2,445,433,201	1,932,939,803
	-----	-----
<b>After sensitivity analysis</b>		
<i>10% increase in equity share price</i>		
Fair value of quoted investments	2,689,976,521	2,126,233,783
	-----	-----
Increase in quoted investments	244,543,320	193,293,980
	=====	=====
<i>10% decrease in equity share price</i>		
Fair value of quoted investments	2,200,889,881	1,739,645,823
	-----	-----
Decrease in quoted investments	(244,543,320)	(193,293,980)
	=====	=====

#### *The Company*

	Quoted Investments 2018 USD	Quoted Investments 2017 USD
<b>Before sensitivity analysis</b>		
Fair value of quoted investments	1,823,067,531	1,445,021,707
	-----	-----
<b>After sensitivity analysis</b>		
<i>10% increase in equity share price</i>		
Fair value of quoted investments	2,005,374,284	1,589,523,878
	-----	-----
Increase in quoted investments	182,306,753	144,502,171
	=====	=====
<i>10% decrease in equity share price</i>		
Fair value of quoted investments	1,640,760,778	1,300,519,536
	-----	-----
Decrease in quoted investments	(182,306,753)	(144,502,171)
	=====	=====

**IndusInd International Holdings Ltd and its subsidiaries**

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2018

**18. Financial instruments and capital management (continued)**

**Liquidity risk**

*i) The Group*

	Due for less	Due between	Total	Due for less	Due between	Total
	than 1 year 2018 USD	1 and 5 years 2018 USD	2018 USD	than 1 year 2017 USD	1 and 5 years 2017 USD	2017 USD
<b>Financial liabilities</b>						
Other payables	2,241,819	-	2,241,819	681,734	-	681,734
Bonds payable	1,612,914	-	1,612,914	3,436,136	-	3,436,136
Loan from Citibank	-	200,000,000	200,000,000	-	150,000,000	150,000,000
<b>Total financial liabilities</b>	<b>3,854,733</b>	<b>200,000,000</b>	<b>203,854,733</b>	<b>4,117,870</b>	<b>150,000,000</b>	<b>154,117,870</b>

*ii) The Company*

	Due for less	Due between	Total	Due for less	Due between	Total
	than 1 year 2018 USD	1 and 5 years 2018 USD	2018 USD	than 1 year 2017 USD	1 and 5 years 2017 USD	2017 USD
<b>Financial liabilities</b>						
Other payables	2,084,959	-	2,084,959	584,029	-	584,029
Bonds payable	1,612,914	-	1,612,914	3,436,136	-	3,436,136
Loan from Citibank	-	200,000,000	200,000,000	-	150,000,000	150,000,000
<b>Total financial liabilities</b>	<b>3,709,207</b>	<b>200,000,000</b>	<b>203,709,207</b>	<b>4,020,165</b>	<b>150,000,000</b>	<b>154,020,165</b>

## IndusInd International Holdings Ltd and its subsidiaries

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2018

### 18. Financial instruments and capital management (continued)

#### Foreign currency sensitivity analysis

The Group and the Company are mainly exposed to the Indian rupee (INR).

The following table details the Group's and the Company's sensitivity to a 10% increase and decrease in the USD against the relevant foreign currencies. 10 % is the sensitivity rate used when reporting foreign currency risk internally to management and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10 % change in the foreign currency rates. A negative number below indicates a decrease in profit where the USD strengthens 10 % against the relevant currency. For a 10 % weakening of the USD against the relevant currency, there would be an equal and opposite impact on total equity, and the balances below would be positive. We also assume in the statement that all other variable remains constant.

Impact of a 10 % increase of the USD against the INR.

#### *The Group*

<b>Currency</b>	<b>2018 USD</b>	<b>2017 USD</b>
INR	<u>(272,901,074)</u>	<u>(213,600,654)</u>

#### *The Company*

<b>Currency</b>	<b>2018 USD</b>	<b>2017 USD</b>
INR	<u>210,664,506</u>	<u>164,808,845</u>

#### Interest Rate Sensitivity Analysis

##### *The Group and the Company*

Variable rate of interest is the sensitivity rate used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates

If interest rates had been higher/lower by 50 basis points and all other variables were held constant, the profit and total equity for the Group for the year ended 31 March 2018 would increase/decrease by USD 458,083 (2017: increase/ decrease by USD 472,260) and for the Company increase/decrease by USD 458,083 respectively. (2017: increase/ decrease by USD 471,989). This is mainly attributable to the Group's and the Company's exposure to interest rates on variable rate of interest.

**IndusInd International Holdings Ltd and its subsidiaries**

**Notes to the consolidated and separate financial statements**

for the year ended 31 March 2018

**18. Financial instruments and capital management (continued)**

**Sensitivity Analysis (continued)**

*The Group*

	Impact on profit & equity		Impact on profit & equity	
	2018	2018	2017	2017
	USD	USD	USD	USD
Interest received	3,756,283	458,083	1,049,277	472,260

*The Company*

	Impact on profit & equity		Impact on profit & equity	
	2018	2018	2017	2017
	USD	USD	USD	USD
Interest received	3,756,283	458,083	1,049,215	471,989

**19. Related party transactions**

During the year under review, the Group and the Company have entered into the following related party transaction:

*The Group*

*Transaction during the year*

Name of related party	Relationship	Nature	2018 USD	2017 USD
Shareholders	Shareholders	Dividend paid	(889,726)	(1,524,965)
		Dividend declared	(1,805,374)	-
Shareholders	Shareholders	Bond repaid	(1,823,222)	-
Shareholders	Shareholders	Reclassification of dividend payable	-	68,583
Shareholders	Shareholders	Right issue	-	120,357,920
Shareholders	Shareholders	Capitalisation of expenses	-	443,368
Shareholders	Shareholders	Prior years dividend payment	-	(4,370)
IndusInd Bank Ltd	Investee companies	Dividend received	8,386,359	5,912,090
Juristax Ltd	Administrator	Administration fees	73,663	-
<b>Balances outstanding at 31 March:</b>				
Shareholders	Shareholders	Dividend payable	1,229,590	394,312
Shareholders	Shareholders	Bonds payable	1,612,914	3,436,136
JurisTax Ltd	Administrator	Administration fees payable	37,044	-

## IndusInd International Holdings Ltd and its subsidiaries

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2018

### 19. Related party transactions (continued)

*The Company*

*Transaction during the year*

Name of related party	Relationship	Nature	2018 USD	2017 USD
IndusInd Ltd	Subsidiary	Loan to subsidiary	(11,000)	(13,749)
IndusInd Ltd	Subsidiary	Payment of expenses on behalf	2,830	-
IndusInd Ltd	Subsidiary	Repayment of loan	2,235,000	-
IndusInd Ltd	Subsidiary	Gift of shares	-	38,259,375
IndusInd Ventures Limited	Subsidiary	Advance to subsidiary	(7,875)	-
IndusInd Capital Limited	Subsidiary	Advance to subsidiary	(7,875)	-
IndusInd Finance Limited	Subsidiary	Advance to subsidiary	(7,875)	-
Shareholders	Shareholders	Dividend paid	(889,726)	(1,444,595)
		Dividend declared	(1,805,374)	-
Shareholders	Shareholders	Bonds repaid	(1,823,222)	-
		Reclassification of dividend payable	-	68,583
		Right issue	-	120,357,920
		Capitalisation of expenses	-	443,368
Shareholders	Shareholders	Prior years dividend payment	-	(4,370)
IndusInd Bank Ltd	Investee company	Dividend received	6,158,677	4,469,214
IndusInd Ltd	Subsidiary	Dividend received	-	1,344,630
JurisTax Ltd	Administrator	Professional fees paid	53,259	-
			=====	=====

## IndusInd International Holdings Ltd and its subsidiaries

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2018

### 19. Related party transactions (continued)

*The Company*

*Balances outstanding at 31 March*

Name of related party	Relationship	Nature	2018 USD	2017 USD
IndusInd Ltd	Subsidiary	Amount receivable	25,671,332	27,868,877
IndusInd Ventures Limited	Subsidiary	Amount receivable	7,875	-
IndusInd Capital Limited	Subsidiary	Amount receivable	7,875	-
IndusInd Finance Limited	Subsidiary	Amount receivable	7,875	-
Shareholders	Shareholders	Dividend payable	1,149,220	233,572
		Bonds payable	1,612,914	3,436,136
JurisTax Ltd	Administrator	Administration fees payable	21,084	-

### 20. Key management personnel

The Group and the Company have employees and have paid salaries amounting to USD 157,368 to key management personnel during the year ended 31 March 2018 (2017: USD Nil, as there was no employee).

### 21. Events after reporting date

On 31<sup>st</sup> May 2018, the Company sold 10 million shares held in Hinduja Leyland Finance to Hinduja Power Limited; an unrelated party, for a cash consideration of USD 22, 205,773.

## IndusInd International Holdings Ltd and its subsidiaries

### Detailed consolidated and separate statement of profit and loss for the year ended 31 March 2018

The supplementary information presented does not form part of the financial statements and is unaudited.

	The Group		The Company	
	2018 USD	2017 USD	2018 USD	2017 USD
<b>Revenue</b>				
Dividends	8,386,359	5,912,090	6,158,677	5,813,844
	<u>8,386,359</u>	<u>5,912,090</u>	<u>6,158,677</u>	<u>5,813,844</u>
Realised gain on disposal of available-for-sale investments	5,334,911	-	5,334,911	34,767,067
	<u>13,721,270</u>	<u>5,912,090</u>	<u>11,493,588</u>	<u>40,580,911</u>
<b>Administration expenses</b>				
Professional and legal fees	643,282	418,372	603,910	403,994
Set up costs	13,500	-	-	-
Board meeting expenses	214,784	217,741	214,784	217,741
Audit and accounting fees	49,155	31,575	26,565	24,550
Rent	16,620	-	16,620	-
Salary	170,520	-	170,520	-
Sundries	4,993	3,465	4,993	2,591
Telephone, fax and courier charges	40,303	26,060	40,303	22,830
Licence fee	12,242	4,850	2,173	2,525
Donation	100,000	100,000	100,000	100,000
Other expenses	55,130	27,992	49,327	7,434
	<u>1,320,529</u>	<u>830,055</u>	<u>1,229,195</u>	<u>781,665</u>
Profit from operating activities	12,400,741	5,082,035	10,264,393	39,799,246
Finance income	3,781,910	1,049,283	3,773,620	1,049,221
Finance costs	(6,758,472)	(2,996,678)	(6,757,473)	(2,995,590)
<b>Net finance costs</b>	<u>(2,976,562)</u>	<u>(1,947,395)</u>	<u>(2,983,853)</u>	<u>(1,946,369)</u>
<b>Operating profit</b>	<u>9,424,179</u>	<u>3,134,640</u>	<u>7,280,540</u>	<u>37,852,877</u>
Share of profit of associate	118,198	109,587	-	-
<b>Profit before taxation</b>	<u>9,542,377</u>	<u>3,244,227</u>	<u>7,280,540</u>	<u>37,852,877</u>

## IndusInd International Holdings Ltd and its subsidiaries

### Consolidated and separate statements of profit or loss and other comprehensive income for the year ended 31 March 2017

	Note	The Group		The Company	
		2017 USD	2016 USD	2017 USD	2016 USD
Revenue	4	5,912,090	5,447,100	5,813,844	5,371,624
Administration expenses		(830,055)	(567,236)	(781,665)	(550,417)
		<u>5,082,035</u>	<u>4,879,864</u>	<u>5,032,179</u>	<u>4,821,207</u>
Realised gain		-	42,228,241	34,767,067	42,228,241
<b>Profit from operating activities</b>		<u>5,082,035</u>	<u>47,108,105</u>	<u>39,799,246</u>	<u>47,049,448</u>
Finance income	5	1,049,283	111,228	1,049,221	110,834
Finance costs	5	(2,996,678)	(37,518)	(2,995,590)	(36,542)
<b>Net finance income / (costs)</b>	5	<u>(1,947,395)</u>	<u>73,710</u>	<u>(1,946,369)</u>	<u>74,292</u>
<b>Operating profit</b>		<u>3,134,640</u>	<u>47,181,815</u>	<u>37,852,877</u>	<u>47,123,740</u>
Share of profit of associate (net of tax)	7a	109,587	109,852	-	-
<b>Profit before taxation</b>		<u>3,244,227</u>	<u>47,291,667</u>	<u>37,852,877</u>	<u>47,123,740</u>
Taxation	6	(42,063)	(39,312)	-	-
<b>Profit for the year</b>		<u>3,202,164</u>	<u>47,252,355</u>	<u>37,852,877</u>	<u>47,123,740</u>
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences		32,926	(80,467)	-	-
Net change in fair value of available for sale financial assets.		<u>654,937,025</u>	<u>8,947,830</u>	<u>643,206,688</u>	<u>8,189,738</u>
<b>Other comprehensive income for the year, net of income tax</b>		<u>654,969,951</u>	<u>8,867,363</u>	<u>643,206,688</u>	<u>8,189,738</u>
<b>Total comprehensive income for the year</b>		<u>658,172,115</u>	<u>56,119,718</u>	<u>681,059,565</u>	<u>55,313,478</u>



**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of profit or loss and other comprehensive income (continued)**  
*for the year ended 31 March 2017*

	<b>The Group</b>		<b>The Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Profit attributable to:</b>				
Owners of the Company	<b>3,125,455</b>	47,180,644	<b>37,852,877</b>	47,123,740
Non-controlling interests	<b>76,709</b>	71,711	-	-
	<u><b>3,202,164</b></u>	<u>47,252,355</u>	<u><b>37,852,877</b></u>	<u>47,123,740</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	<b>648,585,128</b>	55,342,863	<b>681,059,565</b>	55,313,478
Non-controlling interests	<b>9,586,987</b>	776,855	-	-
	<u><b>658,172,115</b></u>	<u>56,119,718</u>	<u><b>681,059,565</b></u>	<u>55,313,478</u>

**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of financial position  
as at 31 March 2017**

	Note	The Group		The Company	
		2017 USD	2016 USD	2017 USD	2016 USD
<b>Assets</b>					
Investments in subsidiaries	9	-	-	466,878,045	271,697,047
Investments in associate	7	1,647,133	1,504,620	248,930	248,930
Other investments	8	2,136,006,543	1,305,284,001	1,648,088,447	989,480,173
<b>Total non-current assets</b>		<b>2,137,653,676</b>	<b>1,306,788,621</b>	<b>2,115,215,422</b>	<b>1,261,426,150</b>
Other receivables and prepayments	10	2,961	211,846	27,871,120	28,066,257
Income tax receivable	6	1,042	521	-	-
Cash and cash equivalents		94,451,901	6,794,714	94,397,836	6,794,489
<b>Total current assets</b>		<b>94,455,904</b>	<b>7,007,081</b>	<b>122,268,956</b>	<b>34,860,746</b>
<b>Total assets</b>		<b>2,232,109,580</b>	<b>1,313,795,702</b>	<b>2,237,484,378</b>	<b>1,296,286,896</b>

These consolidated and separate financial statements have been approved and authorised for issue by the Board of directors on ..... 04. AUG 2017 ..... and signed on its behalf by

  
.....  
Director

  
.....  
Director

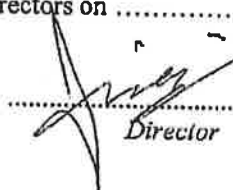
**IndusInd International Holdings Ltd and its subsidiaries**

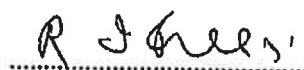
**Consolidated and separate statements of financial position (continued)**  
as at 31 March 2017

	Note	The Group		The Company	
		2017 USD	2016 USD	2017 USD	2016 USD
<b>Equity</b>					
Stated capital	11	35,948,227	35,948,227	35,948,227	35,948,227
Other reserve		138,244,014	24,347,358	113,896,656	-
Treasury shares	12	(5,858,746)	(11,856,642)	(5,858,746)	(11,856,642)
Translation reserves		(1,372,490)	(1,405,416)	-	-
Revaluation reserves		1,664,087,152	1,018,660,405	1,782,194,212	1,138,987,524
Revenue reserves		221,197,507	219,645,850	157,283,864	121,004,785
<b>Total equity attributable to owners of the Company</b>		<b>2,052,245,664</b>	<b>1,285,339,782</b>	<b>2,083,464,213</b>	<b>1,284,083,894</b>
<b>Non-controlling interests</b>	13	<b>25,746,046</b>	<b>16,239,428</b>	-	-
<b>Total equity</b>		<b>2,077,991,710</b>	<b>1,301,579,210</b>	<b>2,083,464,213</b>	<b>1,284,083,894</b>
<b>Non-current liabilities</b>					
Bonds payable	15	-	3,011,449	-	3,011,449
Loan	16	150,000,000	-	150,000,000	-
<b>Total non-current liabilities</b>		<b>150,000,000</b>	<b>3,011,449</b>	<b>150,000,000</b>	<b>3,011,449</b>
<b>Current liabilities</b>					
Bonds payable	15	3,436,136	3,070,162	3,436,136	3,070,162
Other payables	14	681,734	6,134,881	584,029	6,121,391
<b>Total current liabilities</b>		<b>4,117,870</b>	<b>9,205,043</b>	<b>4,020,165</b>	<b>9,191,553</b>
<b>Total liabilities</b>		<b>154,117,870</b>	<b>12,216,492</b>	<b>154,020,165</b>	<b>12,203,002</b>
<b>Total equity and liabilities</b>		<b>2,232,109,580</b>	<b>1,313,795,702</b>	<b>2,237,484,378</b>	<b>1,296,286,896</b>

These Consolidated and separate financial statements have been approved and authorised for issue by the

Board of directors on ..... 01 AUG 2017 ..... and signed on its behalf by

  
.....  
Director

  
.....  
Director

## IndusInd International Holdings Ltd and its subsidiaries

### Consolidated and separate statements of changes in equity for the year ended 31 March 2017

The Group	← Attributable to owners of the Company →							Non - controlling interests USD	Total equity USD
	Stated capital USD	Other reserve USD	Treasury shares USD	Translation reserve USD	Revaluation Reserves USD	Revenue reserve USD	Total USD		
Balance at 1 April 2015	35,948,227	24,347,358	(11,881,167)	(1,324,949)	1,010,417,719	173,831,493	1,231,338,681	15,537,450	1,246,876,131
<b>Total comprehensive income</b>	-	-	-	-	-	47,180,644	47,180,644	71,711	47,252,355
Profit for the year	-	-	-	(80,467)	8,242,686	-	8,162,219	705,143	8,867,362
Other comprehensive income	-	-	-	-	-	-	-	-	-
	35,948,227	24,347,358	(11,881,167)	(1,405,416)	1,018,660,405	221,012,137	1,286,681,544	16,314,304	1,302,995,848
<b>Transactions with owners of the Company</b>									
Contributions and distributions	-	-	(2,000)	-	-	(5,000)	(7,000)	-	(7,000)
Shares bought back	-	-	-	-	-	(1,445,495)	(1,445,495)	(74,876)	(1,520,371)
Current year dividend paid	-	-	-	-	-	(466)	(466)	-	(466)
Dividend prior year	-	-	-	-	-	38,247	38,247	-	38,247
Bonds recalculation	-	-	-	-	-	72,952	72,952	-	72,952
Reclassification of dividend payable	-	-	-	-	-	(26,525)	-	-	-
Prior year adjustment	-	-	26,525	-	-	-	-	-	-
	-	-	24,525	-	-	(1,366,287)	(1,341,762)	(74,876)	(1,416,638)
<b>Total contributions and distributions</b>	-	-	24,525	-	-	(1,366,287)	(1,341,762)	(74,876)	(1,416,638)
<b>Balance at 31 March 2016</b>	35,948,227	24,347,358	(11,856,642)	(1,405,416)	1,018,660,405	219,645,850	1,285,339,782	16,239,428	1,301,579,210

## IndusInd International Holdings Ltd and its subsidiaries

Consolidated and separate statements of changes in equity (continued)  
for the year ended 31 March 2017

### The Group (continued)

	Attributable to owners of the Company							Total equity USD	
	Stated capital USD	Other reserve USD	Treasury shares USD	Translation reserve USD	Revaluation Reserves USD	Revenue reserve USD	Total USD		Non - controlling interests USD
Balance at 1 April 2016	35,948,227	24,347,358	(11,856,642)	(1,405,416)	1,018,660,405	219,645,850	1,285,339,782	16,239,428	1,301,579,210
Total comprehensive income Profit for the year	-	-	-	32,926	645,426,747	3,125,455	3,125,455	76,709	3,202,164
Other comprehensive income	-	-	-	-	-	-	645,459,673	9,510,279	654,969,952
	35,948,227	24,347,358	(11,856,642)	(1,372,490)	1,664,087,152	222,771,305	1,933,924,910	25,826,416	1,959,751,326
Transactions with owners of the Company	-	-	(20,000)	-	-	(60,000)	(80,000)	-	(80,000)
Contributions and distributions	-	-	-	-	-	(1,444,595)	(1,444,595)	(80,370)	(1,524,965)
Shares bought back	-	-	-	-	-	(4,370)	(4,370)	-	(4,370)
Current year dividend paid	-	-	-	-	-	3,750	3,750	-	3,750
Dividend prior year	-	-	-	-	-	(68,583)	(68,583)	-	(68,583)
Bonds recalculation	-	-	-	-	-	-	120,357,920	-	120,357,920
Reclassification of dividend payable	-	114,340,024	6,017,896	-	-	-	(443,368)	-	(443,368)
Right issue	-	(443,368)	-	-	-	-	-	-	-
Capitalisation of expenses	-	-	-	-	-	-	-	-	-
Total contributions and distributions	-	113,896,656	5,997,896	-	-	(1,573,798)	118,320,754	(80,370)	118,240,384
Balance at 31 March 2017	35,948,227	138,244,014	(5,858,746)	(1,372,490)	1,664,087,152	221,197,507	2,052,245,664	25,746,046	2,077,991,710

**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of changes in equity (continued)  
for the year ended 31 March 2017**

**The Company**

	Stated capital USD	Treasury shares USD	Revaluation reserve USD	Revenue reserve USD	Total equity USD
<b>Balance at 1 April 2015</b>	35,948,227	(11,881,167)	1,130,797,786	75,247,332	1,230,112,178
<b>Total comprehensive income for the year</b>	-	-	-	47,123,740	47,123,740
<b>Other comprehensive income</b>	-	-	8,189,738	-	8,189,738
Unrealised gain on revaluation of investments	-	-	-	-	-
<b>Transactions with owners of the Company</b>	-	-	-	-	-
<b>Contributions and distributions</b>	-	(2,000)	-	(5,000)	(7,000)
Shares bought-back	-	-	-	(1,445,495)	(1,445,495)
Current year dividend paid	-	-	-	38,247	38,247
Bonds recalled	-	-	-	(466)	(466)
Dividend prior year	-	-	-	72,952	72,952
Reclassification of dividend payable	-	-	-	(26,525)	-
Prior year adjustment	-	26,525	-	-	-
<b>Balance at 31 March 2016</b>	<u>35,948,227</u>	<u>(11,856,642)</u>	<u>1,138,987,524</u>	<u>121,004,785</u>	<u>1,284,083,894</u>

**IndusInd International Holdings Ltd and its subsidiaries**

Consolidated and separate statements of changes in equity (continued)  
for the year ended 31 March 2017

**The Company (continued)**

	Stated capital USD	Treasury shares USD	Revaluation reserve USD	Revenue reserve USD	Other reserve USD	Total equity USD
Balance at 1 April 2016	35,948,227	(11,856,642)	1,138,987,524	121,004,785	-	1,284,083,894
<b>Total comprehensive income for the year</b>	-	-	-	37,852,877	-	37,852,877
Profit for the year	-	-	-	-	-	-
<b>Other comprehensive income</b>	-	-	643,206,688	-	-	643,206,688
Unrealised gain on revaluation of investments	-	-	-	-	-	-
<b>Transactions with owners of the Company</b>	-	-	-	-	-	-
Contributions and distributions	-	-	-	-	-	-
Shares bought-back	-	(20,000)	-	(60,000)	-	(80,000)
Current year dividend paid	-	-	-	(1,444,595)	-	(1,444,595)
Bonds recalled	-	-	-	3,750	-	3,750
Dividend prior year	-	-	-	(4,370)	-	(4,370)
Reclassification of dividend payable	-	-	-	(68,583)	-	(68,583)
Right issue	-	6,017,896	-	-	114,340,024	120,357,920
Capitalisation of expenses	-	-	-	-	(443,368)	(443,368)
<b>Balance at 31 March 2017</b>	<b>35,948,227</b>	<b>(5,858,746)</b>	<b>1,782,194,212</b>	<b>157,283,864</b>	<b>113,896,656</b>	<b>2,083,464,213</b>

## IndusInd International Holdings Ltd and its subsidiaries

### Consolidated and separate statements of cash flows for the year ended 31 March 2017

	The Group		The Company	
	2017	2016	2017	2016
	USD	USD	USD	USD
<b>Cash flows from operating activities</b>				
Profit for the year	3,202,164	47,252,355	37,852,877	47,123,740
<i>Adjustments for:</i>				
Interest income	(1,049,277)	(111,228)	(1,049,215)	(110,834)
Interest expense	2,961,794	1,983	2,961,794	1,983
Dividend income	(5,912,090)	(5,439,739)	(5,813,844)	(5,364,863)
Realised gain on disposal of investment	-	(42,228,241)	(34,767,067)	(42,228,241)
Share of profit of associate (net of tax)	(109,587)	(109,852)	-	-
Taxation	42,063	39,312	-	-
	(864,933)	(595,410)	(815,455)	(578,215)
Change in other receivables and prepayments	208,885	(203,516)	195,137	(28,049,981)
Change in other payables	(5,533,516)	2,522,895	(5,537,362)	1,494,031
<b>Cash (used in) / generated from operating activities</b>	(6,189,564)	1,723,969	(6,157,680)	(27,134,165)
Income tax paid	(42,584)	(73,463)	-	-
Interest paid	(2,961,794)	(1,983)	(2,961,794)	(1,983)
<b>Net cash (used in) / generated from operating activities</b>	(9,193,942)	1,648,523	(9,119,474)	(27,136,148)
<b>Cash flows from investing activities</b>				
Interest received	1,049,277	111,228	1,049,215	110,834
Dividend received	5,912,090	5,439,739	5,813,844	5,364,863
Acquisition of investments	(175,785,517)	(118,098,184)	(175,815,517)	(89,276,468)
Disposal proceeds of investments	-	113,905,512	-	113,905,512
<b>Net cash from investing activities</b>	(168,824,150)	1,358,295	(168,952,458)	30,104,741
<b>Cash flows from financing activities</b>				
Dividend paid	(1,444,595)	(1,520,375)	(1,444,595)	(1,445,495)
Prior year dividends paid	(4,370)	(466)	(4,370)	(466)
Payment on buy-back of shares	(80,000)	(7,000)	(80,000)	(7,000)
Re-classification of dividend payable	(68,583)	72,952	(68,583)	72,952
Payment of Bonds	(2,641,725)	(2,995,384)	(2,641,725)	(2,995,384)
Loan proceeds	150,000,000	-	150,000,000	-
Right issue	120,357,920	-	120,357,920	-
Right issue expenses	(443,368)	-	(443,368)	-
<b>Net cash flow used in financing activities</b>	265,675,279	(4,450,273)	265,675,279	(4,375,393)
<b>Net decrease in cash and cash equivalents</b>	87,657,187	(1,443,455)	87,603,347	(1,406,800)
Cash and cash equivalent at 1 April	6,794,714	8,238,169	6,794,489	8,201,289
Cash and cash equivalent at 31 March	94,451,901	6,794,714	94,397,836	6,794,489



**IndusInd International Holdings Ltd and its subsidiaries**

**Consolidated and separate statements of cash flows (continued)**  
*for the year ended 31 March 2017*

	<b>The Group</b>		<b>The Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Cash and cash equivalents at the end of the year:</b>				
Cash and cash equivalents	<u>94,451,901</u>	<u>6,794,714</u>	<u>94,397,836</u>	<u>6,794,489</u>
	<u>94,451,901</u>	<u>6,794,714</u>	<u>94,397,836</u>	<u>6,794,489</u>

## **IndusInd International Holdings Ltd and its subsidiaries**

### **Notes to the consolidated and separate financial statements for the year ended 31 March 2017**

#### **1. General information**

The Company was incorporated as a public limited company in the Republic of Mauritius on 4 October 1993. The consolidated and separate financial statements for the year ended 31 March 2017 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in associate. The principal activity of Group is that of investment holding.

The Company as a holder of a Category 1 Global Business Licence under the Companies Act and the Financial Services Act 2007 is required to carry on its business in a currency other than the Mauritian rupee. Since the Company operates in an international environment and conducts most of its transactions in foreign currencies the Company has chosen to retain the United States Dollar (USD) as its reporting currency.

#### **2. Basis of preparation**

##### **(a) Statement of compliance**

The consolidated and separate financial statements as at and for the year ended 31 March 2017 as issued by the International Accounting Standards Board (IASB) have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the Mauritius Companies Act.

##### **(b) Basis of measurement**

The consolidated and separate financial statements have been prepared on a historical cost basis except for financial assets and financial liabilities which are fair valued.

##### **(c) Functional and presentation currency**

The consolidated and separate financial statements are presented in United States Dollar (USD) which is the Company and Group functional currency. All amounts have been rounded to the nearest dollar, unless otherwise indicated.

##### **(d) Use of estimates and judgement**

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

## IndusInd International Holdings Ltd and its subsidiaries

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017

### 2. Basis of preparation (continued)

#### (d) Use of estimates and judgement (continued)

##### (i) Judgement

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated and separate financial statements is included in the following note:

Functional and presentation currency: -Functional currency is the currency of the primary economic environment of the Group and the Company operates. If indicators of the primary economic environment are mixed, then management used its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The majority of the Company transactions are denominated in USD. The expenses are denominated and paid in USD. Accordingly, management has determined that the functional currency of the Company and the Group is USD.

##### (ii) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment in the year ended 31 March 2017 is included in the following note:

- Note 15 and relates to the determination of the fair value of financial instruments with significant unobservable inputs

#### Measurement of fair values

A number of the Company's and Group's accounting policies and disclosures require the measurement of fair value, for both financial and non-financial assets and liabilities.

The Company and Group has established control framework with respect to the measurement of fair values. When measuring fair value of an asset or a liability, the Company and Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs on the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

## **IndusInd International Holdings Ltd and its subsidiaries**

### **Notes to the consolidated and separate financial statements for the year ended 31 March 2017**

#### **2. Basis of preparation (continued)**

##### **(e) Changes in accounting policies**

The accounting policies adopted are consistent with those of the previous financial year, except for the following new and amended IFRS and IFRIC interpretations adopted in the year beginning 1 April 2016:

##### *Disclosure Initiative (Amendments to IAS 1)*

The amendments provide additional guidance on the application of materiality and aggregation when preparing financial statements. The amendments also clarify presentation principles applicable to of the order of notes, OCI of equity accounted investees and subtotals presented in the statement of financial position and statement of profit or loss and other comprehensive income.

The application of the above amendment had no material impact on the disclosures in the consolidated and separate financial statements.

#### **3. Significant accounting policies**

Except for the changes explained in Note 2(e), the Group and the Company have consistently applied the following accounting policies to all periods presented in these consolidated and separate financial statements.

##### **(a) Revenue recognition**

###### *Dividend income*

Dividend income is recognised in the consolidated and separate statement of profit or loss and other comprehensive income on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

##### **(b) Basis of consolidation**

###### **(i) Subsidiary**

A subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the consolidated and separate financial statements from the date on which control commences until the date on which control ceases.

Investment in subsidiary in the separate statement of financial position is measured at fair value through profit or loss in accordance with IAS 39.

## **IndusInd International Holdings Ltd and its subsidiaries**

**Notes to the consolidated and separate financial statements**  
*for the year ended 31 March 2017*

### **3. Significant accounting policies (continued)**

#### **(b) Basis of consolidation (continued)**

##### *(ii) Non-controlling interests*

Non-controlling interest in the equity and results of the entities that are controlled by the Group is shown as a separate item in the consolidated and separate financial statements.

Non-controlling interest are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

##### *(iii) Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

##### *(iv) Investment in associates*

The Group's interests in equity-accounted investees comprise interests in associates. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated and separate financial statements include the Group's share of the profit or loss and other comprehensive income (OCI) of equity-accounted investees, until the date on which significant influence or joint control ceases.

##### *(v) Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

#### **(c) Finance income and finance costs**

The Group and Company finance income and finance costs include:

- Interest income;
- Interest expense; and
- The foreign currency gain or loss on financial assets and financial liabilities.

## **IndusInd International Holdings Ltd and its subsidiaries**

### **Notes to the consolidated and separate financial statements for the year ended 31 March 2017**

#### **3. Significant accounting policies (continued)**

##### **(c) Finance income and finance costs (continued)**

###### **(i) Interest income**

Interest income relates to bank interest received in banks and is recognised, using the effective interest method.

###### **(ii) Interest expense**

Interest expense is recognised on borrowings that are recognised in the consolidated and separate statement of profit or loss and other comprehensive income.

###### **(iii) Foreign currency gain or loss**

Transactions in foreign currencies are translated at the foreign exchange rate at the date of transaction. Foreign exchange differences arising on translation are recognised in the statement of profit or loss and other comprehensive income.

##### **(d) Taxation**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

###### **(i) Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

###### **(ii) Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

## **IndusInd International Holdings Ltd and its subsidiaries**

**Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017**

### **3. Significant accounting policies (continued)**

#### **(d) Taxation (continued)**

##### **(ii) Deferred tax (continued)**

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

##### **(e) Foreign currency transactions**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to United States Dollar (USD) at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Foreign exchange differences arising on translation are recognised in the consolidated and separate statement of profit or loss and other comprehensive Income. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

However, foreign currency differences arising from the translation of the following items are recognised in OCI.

- Available-for-sale equity investments (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss).

##### **(f) Impairment**

###### **(i) Non derivative financial assets**

Financial assets not classified as at fair value through profit and loss are assessed at each reporting period date to determine whether there is objective evidence of impairment.

## **IndusInd International Holdings Ltd and its subsidiaries**

### **Notes to the consolidated and separate financial statements for the year ended 31 March 2017**

#### **3. Significant accounting policies (continued)**

##### *(f) Impairment (continued)*

##### *(i) Non derivative financial assets (continued)*

Objective evidence that financial assets are impaired includes:

- Default or delinquency by a debtor;
- Restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- Indication that a debtor or issuer will enter bankruptcy;
- Adverse changes in the payment status of borrowers or issuers;
- The disappearance of an active market for the security; or
- Observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

For an investment in an equity security, objective evidence of impairment includes a significant or prolonged decline in its fair value below its cost. The Group and the Company consider a decline of 20% to be significant and a period of nine months to be prolonged.

##### *Financial assets measured at amortised cost*

The Group and the Company consider evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group and the Company uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Group and the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.



## **IndusInd International Holdings Ltd and its subsidiaries**

**Notes to the consolidated and separate financial statements**  
*for the year ended 31 March 2017*

### **3. Significant accounting policies (continued)**

#### **(f) Impairment (continued)**

##### **(i) Non derivative financial assets (continued)**

###### *Available-for-sale financial assets*

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortisation) and the current fair value, less any impairment loss previously recognised in profit or loss. If the fair value of an impaired available-for-sale debt security subsequently increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed through profit or loss; otherwise, it is reversed through OCI.

##### **(ii) Equity-accounted investees**

An impairment loss in respect of an equity-accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit or loss, and is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

#### **(g) Financial Instruments**

The Group and Company classify non-derivative financial assets into the following categories: loans and receivables and available-for-sale financial assets.

The Group and company classify non-derivative financial liabilities into the other financial liabilities category.

##### *Non-derivative financial assets and financial liabilities – Recognition and derecognition*

The Group and Company initially recognise loans and receivables and debt securities issued on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date.

The Group and Company derecognise a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group and the Company is recognised as a separate asset or liability.

The Group and Company derecognise a financial liability when its contractual obligations are discharged or cancelled, or expired.

## **IndusInd International Holdings Ltd and its subsidiaries**

### **Notes to the consolidated and separate financial statements for the year ended 31 March 2017**

#### **3. Significant accounting policies (continued)**

##### **(g) Financial instruments (continued)**

###### *Non-derivative financial assets and financial liabilities – Recognition and derecognition (continued)*

Financial assets and financial liabilities are offset and the net amount presented in the consolidated and separate statement of financial position when, and only when, the Group and the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

###### *Non-derivative financial assets – Measurement*

###### **Loans and receivables**

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Loans and receivables comprises of other receivables and cash and cash equivalents.

###### **Available-for-sale financial assets**

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on debt instruments, are recognised in OCI and accumulated in the fair value reserve. When these assets are derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

###### *Cash and cash equivalents*

Cash comprises of cash balances. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Bank overdraft that is repayable on demand and forms an integral part of the Group's and the Company's cash management is included as a component of cash and cash equivalents for the purpose of the consolidated and separate statement of cash flows.

###### *Non-derivative financial liabilities – Measurement*

Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

Non-derivative financial liabilities comprises of bonus bonds and other payables.

## IndusInd International Holdings Ltd and its subsidiaries

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017

### 3. Significant accounting policies (continued)

#### (h) Provisions

Provisions are recognised in the consolidated and separate statement of financial position when the Group and Company has a legal or constructive obligation as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

#### (i) Stated capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

#### (j) Treasury shares

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

#### (k) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not effective for annual periods beginning on or after 01 April 2016, and have not been applied in preparing these consolidated and separate financial statements. Those which may be relevant to the Group and the Company are set out below. The Group and the Company do not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated:

Standard/Interpretation		Effective date
IAS 7	Disclosure amendments	Annual periods beginning on or after 1 January 2017
IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses	Annual periods beginning on or after 1 January 2017
IFRS 9	Financial Instruments	Annual periods beginning on or after 1 January 2018
IFRS 15	Revenue from Contracts with Customers	Annual periods beginning on or after 1 January 2018

## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2017

#### 3. Significant accounting policies (continued)

##### (k) New standards and interpretations not yet adopted (continued)

###### *Disclosure Initiative (Amendments to IAS 7)*

The amendments provide for disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes. This includes providing a reconciliation between the opening and closing balances for liabilities arising from financing activities.

The adoption of the above amendments shall not have significant impact in the Group's and the Company's consolidated and separate financial statement.

###### *Recognition of Deferred Tax Assets for Unrealised Losses (Amendments to IAS 12)*

The amendments provide additional guidance on the existence of deductible temporary differences, which depend solely on a comparison of the carrying amount of an asset and its tax base at the end of the reporting period, and is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset.

The amendments also provide additional guidance on the methods used to calculate future taxable profit to establish whether a deferred tax asset can be recognised.

Guidance is provided where an entity may assume that it will recover an asset for more than its carrying amount, provided that there is sufficient evidence that it is probable that the entity will achieve this.

Guidance is provided for deductible temporary differences related to unrealised losses are not assessed separately for recognition. These are assessed on a combined basis, unless a tax law restricts the use of losses to deductions against income of a specific type.

The adoption of the above amendments shall not have significant impact in the Group's and the Company's consolidated and separate financial statement.

###### *IFRS 9 Financial Instruments*

On 24 July 2014, the IASB issued the final IFRS 9 Financial Instruments Standard, which replaces earlier versions of IFRS 9 and completes the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. This standard have a significant impact on the Group and the Company, which will include changes in the measurement bases of the Group's and Company's financial assets to amortised cost, fair value through other comprehensive income or fair value through profit or loss. Even though these measurement categories are similar to IAS 39, the criteria for classification into these categories are significantly different. In addition, the IFRS 9 impairment model has been changed from an "incurred loss" model from IAS 39 to an "expected credit loss" model.

**IndusInd International Holdings Ltd and its subsidiaries**

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017

**3. Significant accounting policies (continued)**

*(k) New standards and interpretation not yet adopted (continued)*

*IFRS 15 Revenue from contracts with customers*

This standard replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers and SIC-31 Revenue – Barter of Transactions Involving Advertising Services.

The standard contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.

The adoption of the above amendments shall not have significant impact in the Group's and the Company's consolidated and separate financial statement.

**4. Revenue**

Revenue consists of:

	The Group		The Company	
	2017 USD	2016 USD	2017 USD	2016 USD
Dividend income	5,912,090	5,439,739	5,813,844	5,364,863
Other income	-	7,361	-	6,761
	<u>5,912,090</u>	<u>5,447,100</u>	<u>5,813,844</u>	<u>5,371,624</u>

**5. Net finance income**

	The Group		The Company	
	2017 USD	2016 USD	2017 USD	2016 USD
<b>Finance income</b>				
Interest received	1,049,277	111,228	1,049,215	110,834
Exchange gain	6	-	6	-
	<u>1,049,283</u>	<u>111,228</u>	<u>1,049,221</u>	<u>110,834</u>
<b>Finance cost</b>				
Bank charges	(34,884)	(35,302)	(33,796)	(34,326)
Interest paid	(2,961,794)	(1,983)	(2,961,794)	(1,983)
Exchange loss	-	(233)	-	(233)
	<u>(2,996,678)</u>	<u>(37,518)</u>	<u>(2,995,590)</u>	<u>(36,542)</u>
<b>Net finance income</b>	<u>(1,947,395)</u>	<u>73,710</u>	<u>(1,946,369)</u>	<u>74,292</u>

## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2017

#### 6. Taxation

##### *The Group*

The Group is subject to income tax at the rate between 15% - 33.66%.

##### *The Company*

The Company is subject to income tax in Mauritius at the rate of 15%. It is, however, entitled to a tax credit equivalent to the higher of the foreign tax paid or 80% of the Mauritian tax on its foreign source income.

*Recognised in consolidated and separate statement of profit or loss and other comprehensive income.*

##### Current tax expense

	The Group		The Company	
	2017 USD	2016 USD	2017 USD	2016 USD
Current year income tax	(42,063)	(39,312)	-	-
	<u>(42,063)</u>	<u>(39,312)</u>	<u>-</u>	<u>-</u>

##### *Reconciliation of effective tax*

	The Group		The Company	
	2017 USD	2016 USD	2017 USD	2016 USD
Profit before taxation	<u>3,244,227</u>	<u>47,291,667</u>	<u>37,852,877</u>	<u>47,123,740</u>
Income tax at 15%	486,634	7,093,750	5,677,932	7,068,561
Tax exempt revenues	(62)	(6,350,849)	(5,215,060)	(6,522,255)
Non-allowable expenses	390,437	342,040	475,654	342,075
Foreign Tax credit	(919,072)	(1,045,629)	(938,526)	(888,381)
Tax expense	<u>42,063</u>	<u>39,312</u>	<u>-</u>	<u>-</u>

##### *Consolidated and separate statement of financial position*

	The Group		The Company	
	2017 USD	2016 USD	2017 USD	2016 USD
At 01 April	(521)	33,630	-	-
Current year income tax	42,063	39,312	-	-
Tax paid	(42,584)	(73,463)	-	-
Income tax (receivable) / payable	<u>(1,042)</u>	<u>(521)</u>	<u>-</u>	<u>-</u>

**IndusInd International Holdings Ltd and its subsidiaries**

**Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017**

**7. Investments in associate**

*The Group*

Cost	2017	2016
At 31 March	USD	USD
	248,930	248,930
Unrealised appreciation		
At 01 April 2015 and 01 April 2014	1,225,690	1,226,305
Movement during the year	142,513	29,385
At 31 March	1,398,203	1,225,690
Carrying value		
At 31 March	1,647,133	1,504,620

**7a. Analysis of investments in associate**

*The Group*

Name of company	Country of incorporation	% held	Principal activity	Initial Cost USD 2017 and 2016	Carrying amount USD 2017	Carrying amount USD 2016
Associate IndusInd Information Technology Limited	India	49.99	Software development	248,930	1,647,133	1,504,620

*The Group*

*Investments in IndusInd Information Technology Limited consist of unquoted shares:*

	Carrying amount 2017 USD	Carrying amount 2016 USD
Cost	248,930	248,930
Share of profit for prior years	2,100,108	1,990,256
Company's share of profit of associate for the year	109,587	109,852
Exchange difference on re-translation	(811,492)	(844,418)
At 31 March	1,647,133	1,504,620

**IndusInd International Holdings Ld and its subsidiaries**

**Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017**

**7. Investments in associate (continued)**

**7b. Investment in IndusInd Information Technology Limited**

Summarised financial information in respect of the associate is set out below:

	2017 USD	2016 USD
Total assets	3,327,732	3,012,329
Total liabilities	(32,807)	(2,488)
Net assets	<u>3,294,925</u>	<u>3,009,841</u>
Group's share of associate's net assets (49.99%)	<u>1,647,133</u>	<u>1,504,620</u>
	2017 USD	2016 USD
Revenue	<u>280,680</u>	<u>277,883</u>
Profit for the year	<u>219,218</u>	<u>219,748</u>
Group's share of profit of associate (49.99%)	<u>109,587</u>	<u>109,852</u>
<i>The Company</i>		
	2017 USD	2016 USD
<i>Cost / Carrying value</i> At 01 April 2016 and 31 March 2017	<u>248,930</u>	<u>248,930</u>

**8. Available-for-sale investments**

Available-for-sale investments consist of unquoted shares and quoted shares. Quoted shares are on the National Stock Exchange and Mumbai Stock Exchange.

*The Group - 2017*

	Quoted USD	Unquoted USD	Total USD
<i>Cost</i>			
At 01 April 2016	169,393,101	6,864,711	176,257,812
Additions	14,750,000	161,035,517	175,785,517
At 31 March 2017	<u>184,143,101</u>	<u>167,900,228</u>	<u>352,043,329</u>



**IndusInd International Holdings Ltd and its subsidiaries**

Notes to the consolidated and separate financial statements  
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**8. Available-for-sale investments (continued)**

	Quoted USD	Unquoted USD	Total USD
<i>Unrealised appreciation/(depreciation)</i>			
At 01 April 2016	1,124,592,572	4,433,617	1,129,026,189
Movement during the year	624,204,130	30,732,895	654,937,025
At 31 March 2017	<u>1,748,796,702</u>	<u>35,166,512</u>	<u>1,783,963,214</u>
<i>Market value</i>			
At 31 March 2017	<u>1,932,939,803</u>	<u>203,066,740</u>	<u>2,136,006,543</u>
<i>The Group - 2016</i>			
	Quoted USD	Unquoted USD	Total USD
<i>Cost</i>			
At 01 April 2015	51,294,917	78,541,982	129,836,899
Additions/ (Disposal)	118,098,184	(71,677,271)	46,420,913
At 31 March 2016	<u>169,393,101</u>	<u>6,864,711</u>	<u>176,257,812</u>
<i>Unrealised appreciation/(depreciation)</i>			
At 01 April 2015	1,073,367,271	46,711,088	1,120,078,359
Movement during the year	51,225,301	(42,277,471)	8,947,830
At 31 March 2016	<u>1,124,592,572</u>	<u>4,433,617</u>	<u>1,129,026,189</u>
<i>Market value</i>			
At 31 March 2016	<u>1,293,985,673</u>	<u>11,298,328</u>	<u>1,305,284,001</u>
<i>The Company - 2017</i>			
	Quoted USD	Unquoted USD	Total USD
<i>Cost</i>			
At 1 April 2016	108,545,567	6,864,711	115,410,278
Additions	11,257,693	161,035,517	172,293,210
At 31 March 2017	<u>119,803,260</u>	<u>167,900,228</u>	<u>287,703,488</u>
<i>Unrealised appreciation/(depreciation)</i>			
At 1 April 2016	869,636,278	4,433,617	874,069,895
Movement during the year	455,582,169	30,732,895	486,315,064
At 31 March 2017	<u>1,325,218,447</u>	<u>35,166,512</u>	<u>1,360,384,959</u>
<i>Market value</i>			
At 31 March 2017	<u>1,445,021,707</u>	<u>203,066,740</u>	<u>1,648,088,447</u>

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## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2017

#### 8. Available-for-sale investments (continued)

##### The Company – 2016

	Quoted USD	Unquoted USD	Total USD
<i>Cost</i>			
At 1 April 2015	19,269,099	78,541,982	97,811,081
Additions/ (Disposal)	89,276,468	(71,677,271)	17,599,197
At 31 March 2016	<u>108,545,567</u>	<u>6,864,711</u>	<u>115,410,278</u>
<i>Unrealised appreciation/(depreciation)</i>			
At 1 April 2015	830,913,526	46,711,088	877,624,614
Movement during the year	38,722,752	(42,277,471)	(3,554,719)
At 31 March 2016	<u>869,636,278</u>	<u>4,433,617</u>	<u>874,069,895</u>
<i>Market value</i>			
At 31 March 2016	<u>978,181,845</u>	<u>11,298,328</u>	<u>989,480,173</u>

#### 8a. Portfolio of investments

<i>The company</i>	<i>Country of incorporation</i>	<i>% held</i>	<i>Principal activity</i>	<i>Cost USD</i>	<i>Market value USD</i>	<i>Cost USD</i>	<i>Market value USD</i>
<i>Name of company</i>				2017	2017	2016	2016
<b>Available-for-sale investments</b>							
IndusInd Media & Communication Ltd (unquoted)	India	12.14%	Telecom -munications	76,775,870	72,407,565	5,530,900	5,977,276
Hinduja Leyland Finance* (Unquoted)	India	19.59%	Non-Banking Finance Company	91,124,358	130,659,175	1,333,811	5,321,052
IndusInd Bank Limited (Quoted)	India	11.00%	Banking services	119,803,260	1,445,021,707	108,545,567	978,181,845
<b>Total</b>				<u>287,703,488</u>	<u>1,648,088,447</u>	<u>115,410,278</u>	<u>989,480,173</u>

\*The Company does not have significant influence over Hinduja Leyland Finance, therefore equity accounting as per IAS 28 – Investments in Associates has not been applied.

**IndusInd International Holdings Ltd and its subsidiaries**

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017

**8. Available-for-sale investments (continued)**

**8a. Portfolio of investments (continued)**

Available-for-sale investments	Restriction on disposal of shares
Indusind Media & Communication Ltd (Unquoted)	The disposal of shares shall be subject to the extant FDI policy, applicable FEMA regulations and RBI guidelines as may be prescribed from time to time.
IndusInd Bank Limited (Quoted)	The 6,638,224 shares allotted under preferential basis are locked-in up to 14 August 2018.

**9. Investment in subsidiaries**

*The Company*

	2017 USD	2016 USD
<i>Cost</i>		
At 31 March 2016 and 01 April 2016	6,779,417	6,779,417
Additions	38,289,375	-
	<u>45,068,792</u>	<u>6,779,417</u>
<i>Unrealised Appreciation</i>		
At 31 March 2016 and 01 April 2016	264,917,630	253,173,173
Movement during the year	156,891,623	11,744,457
At 31 March	<u>421,809,253</u>	<u>264,917,630</u>
<i>Market value</i>		
At 31 March	<u>466,878,045</u>	<u>271,697,047</u>

## IndusInd International Holdings Ltd and its subsidiaries

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017

### 9. Investment in subsidiaries (continued)

#### 9a. Portfolio of investments

Name of company	Country of incorporation	% held	Principal Activity	Cost USD 2017	Market value USD 2017	Cost USD 2016	Market value USD 2016
<b>Subsidiaries</b>							
IndusInd Ltd	Mauritius	94.36%	Investment holding	45,038,792	466,848,045	6,779,417	271,697,047
IndusInd Capital Ltd	Mauritius	100%	Investment holding	10,000	10,000	-	-
IndusInd Finance Ltd	Mauritius	100%	Investment holding	10,000	10,000	-	-
IndusInd Venture Ltd	Mauritius	100%	Investment holding	10,000	10,000	-	-

### 10. Other receivables and prepayments

	The Group		The Company	
	2017 USD	2016 USD	2017 USD	2016 USD
Prepayments	1,580	1,580	862	862
Loan to subsidiary*	-	-	27,868,877	27,855,128
Debtors	1,381	210,266	1,381	210,267
	<u>2,961</u>	<u>211,846</u>	<u>27,871,120</u>	<u>28,066,257</u>

\* The loan to subsidiary is interest free and is repayable on demand.

### 11. Stated capital

	The Group		The Company	
	2017 USD	2016 USD	2017 USD	2016 USD
<i>Issued and fully paid</i>				
Ordinary shares of USD 1 each	<u>35,948,227</u>	<u>35,948,227</u>	<u>35,948,227</u>	<u>35,948,227</u>

All shares in issue are fully paid up.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company but this provision shall be subject to the provisions with respect to voting power attached to any shares which may be subject to special conditions.

## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2017

#### 11. Stated capital (continued)

##### Nature and purpose of the reserves

##### Other reserve

Other reserve includes share premium raised on rights issue. In October 2016, the general meeting of shareholders approved the issue of 6,017,896 ordinary equity shares with a put option of par value of USD 1. Issue price for each ordinary equity share issued in 2016 is USD 20 which includes share premium of USD 19 each.

##### Revaluation reserve

The revaluation reserve relates to any surplus arising on changes in fair value of available for sale financial assets.

##### Revenue reserve

The revenue reserve includes accumulated retained earnings.

##### Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as the effective portion of any foreign currency differences arising from hedges of a net investment in a foreign operation.

#### 12. Treasury shares

The Company bought-back its issued shares as follows:

	The Group		The Company	
	2017 USD	2016 USD	2017 USD	2016 USD
Balance at 01 April	11,856,642	11,881,167	11,856,642	11,881,167
Bought-back during the year	20,000	2,000	20,000	2,000
Adjustment	-	(26,525)	-	(26,525)
Right issue	(6,017,896)	-	(6,017,896)	-
<b>Balance at 31 March</b>	<b>5,858,746</b>	<b>11,856,642</b>	<b>5,858,746</b>	<b>11,856,642</b>

The treasury shares are being held by the Company and have not been cancelled

In October 2016, the Company offered 6,017,896 New Ordinary Equity Shares by way of Rights to the existing shareholders at the issue price of USD 20 for each New Ordinary Equity Shares which includes face value of USD 1 and premium of USD 19. The premium has been recorded in the 'Other reserve' as part of equity.

## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2017

#### 13. Non-controlling interest

The following table summarises the information relating to each of the Group's subsidiaries that has a material NCI.

2017

	USD Mauritius
Country of incorporation	
Percentage of NCI	5.64%
<i>As at 31 March 2017</i>	
Non-current assets	522,685,164
Current assets	32,946
Current liabilities	27,965,007
Net assets*	456,493,728
Net assets attributable to NCI	<u>25,746,046</u>
Revenue	1,442,938
Profit	1,360,092
Other comprehensive income	168,621,961
Total comprehensive income	169,982,053
Profit attributable to NCI	76,709
OCI allocated to NCI	<u>9,586,987</u>
NCI share of cash flow from operating activities	(41)
NCI share of cash flow from financing activities	(79,595)
NCI share of cash flow from investing activities	81,382
NCI share of net increase / (decrease) in cash and cash equivalents	1,746

\* Net assets exclude gift of shares.

**IndusInd International Holdings Ltd and its subsidiaries**

**Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017**

**13. Non-controlling interest (continued)**

2016

	USD
Country of incorporation	Mauritius
Percentage of NCI	5.64%
<i>As at 31 March 2017</i>	
Non-current assets	315,803,828
Current assets	1,465
Current liabilities	27,868,618
Net assets	287,936,675
Net assets attributable to NCI	<u>16,239,428</u>
Revenue	1,328,590
Profit	1,271,483
Other comprehensive income	12,502,549
Total comprehensive income	13,774,032
Profit attributable to NCI	71,711
OCI allocated to NCI	<u>776,855</u>
NCI share of cash flow from operating activities	52,915
NCI share of cash flow from financing activities	1,495,664
NCI share of cash flow from investing activities	(1,550,646)
NCI share of net increase / (decrease) in cash and cash equivalents	2,067

## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2017

#### 14. Other payables

	The Group		The Company	
	2017 USD	2016 USD	2017 USD	2016 USD
Dividends payable	313,942	36,641	233,572	36,641
Other creditors and accruals	108,186	98,240	90,851	84,750
Loan from bank*	-	6,000,000	-	6,000,000
Interest payable	259,606	-	259,606	-
	<u>681,734</u>	<u>6,134,881</u>	<u>584,029</u>	<u>6,121,391</u>

\*The loan from bank and subsidiary are interest free and are repayable on demand.

#### 15. Bonds payable

	The Group		The Company	
	2017 USD	2016 USD	2017 USD	2016 USD
Balance at 01 April 2016	6,081,611	9,115,245	6,081,611	9,115,245
Bonds recalled	(3,750)	(38,250)	(3,750)	(38,250)
Payment made during the year	(2,641,725)	(2,995,384)	(2,641,725)	(2,995,384)
Balance at 31 March 2017	<u>3,436,136</u>	<u>6,081,611</u>	<u>3,436,136</u>	<u>6,081,611</u>

#### Analysis of figures

	The Group		The Company	
	2017 USD	2016 USD	2017 USD	2016 USD
Payable within one year	3,436,136	3,070,162	3,436,136	3,070,162
Payable after one year	-	3,011,449	-	3,011,449
	<u>3,436,136</u>	<u>6,081,611</u>	<u>3,436,136</u>	<u>6,081,611</u>



## IndusInd International Holdings Ltd and its subsidiaries

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017

### 16. Loan

	The Group		The Company	
	2017 USD	2016 USD	2017 USD	2016 USD
Balance at 01 April 2016	-	-	-	-
Received during the year	150,000,000	-	150,000,000	-
Balance at 31 March 2017	<u>150,000,000</u>	<u>-</u>	<u>150,000,000</u>	<u>-</u>

Loan payable amounting to USD 150,000,000 is due to Citibank. The rate of interest on loan is the percentage rate per annum which is aggregate of the applicable margin of 2.8% and LIBOR which is calculated on a daily basis. The loan is secured and repayable within 24 months as from 15 September 2016. The loan is secured by a pledge on the shares of IndusInd Ltd held by the Company. IndusInd Ltd has in turn given a Non-Disposal undertaking for the 23,800,000 shares it holds in IndusInd Bank Limited.

### 17. Financial instruments and capital management

#### Overview

The Group and the Company have exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group and the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Group and the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group and the Company's activities.

## **IndusInd International Holdings Ltd and its subsidiaries**

### **Notes to the consolidated and separate financial statements for the year ended 31 March 2017**

#### **17. Financial instruments and capital management (continued)**

##### **(a) Credit risk**

Credit risk represents the potential loss that the Group and the Company would incur if counter parties fail to perform pursuant to the terms of their obligations to the Group and the Company. The Group and the Company limits its credit risk by carrying out transactions only with its related parties. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated and separate statement of financial position.

##### **(b) Liquidity risk**

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group and the Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they become due without incurring unacceptable losses or risking damage to the Group and the Company's reputation.

##### **(c) Market risk**

Market risk represents the potential loss that can be caused by a change in the market value of financial instruments. The Group's and the Company's exposure to market risk is determined by a number of factors, including interest rates, foreign currency exchange rates and market volatility. The Group and the Company conduct their investment operations in a manner that seeks to exploit the potential gains in the market, while limiting its exposure to market declines.

##### *Interest rate risk*

The Group and the Company finances its operation through retained profits at market interest rates. This strategy allows it to capitalise on cheaper funding and to manage the risk on an ongoing basis.

##### *Currency risk*

The Group and the company invest in financial assets and financial liabilities denominated in Indian Rupee (INR). Consequently, the Group and the Company is exposed to the risk that the exchange rate of the USD relative to the INR may change in a manner which has a material effect on the reported values of the Group and the Company's financial assets and financial liabilities which are denominated in INR.

##### *Equity price risk*

The Group and the Company is exposed to equity price risk, which arises from available-for-sale equity securities held for investments measured at fair value. The management of the Group and Company monitors the proportion of equity securities in its investment portfolio based on market indices.

## IndusInd International Holdings Ltd and its subsidiaries

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017

### 17. Financial instruments and capital management (continued)

#### (d) Capital management

The Group and the Company primary objectives when managing capital are to safeguard the Group and Company's ability to continue as a going concern. As the Company is part of a larger group, the Group and the Company's sources of additional capital and policies for distribution of excess capital may also be affected by the Group's and the Company's capital management objectives.

The Company defines "capital" as including all components of equity. Trading balances that arise as a result of trading transactions with other group companies are not regarded by the Company as capital.

The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the group to which the Company belongs. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Company or the Group. The results of the directors' review of the Company's capital structure are used as a basis for the determination of the level of dividends, if any, that are declared.

#### Fair Value

##### The Group

The fair values for financial assets and liabilities together with the carrying amounts shown in the consolidated and separate statement of financial position are as follows:

	Carrying amount 2017 USD	Fair value 2017 USD	Carrying amount 2016 USD	Fair value 2016 USD
Available-for-sale investments	2,136,006,543	2,136,006,543	1,305,284,001	1,305,284,001
Other receivables	1,381	1,381	210,266	210,266
Cash and cash equivalents	94,451,901	94,451,901	6,794,714	6,794,714
Loan from City Bank	(150,000,000)	(150,000,000)	-	-
Bonds payable	(3,436,136)	(3,436,136)	(6,081,611)	(6,081,611)
Other payables	(681,734)	(681,734)	(6,134,881)	(6,134,881)

Prepaid expenses amounting to USD 1,580 (2016: USD 1,580) have been excluded in financial assets.

## IndusInd International Holdings Ltd and its subsidiaries

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017

### 17. Financial instruments and capital management (continued)

#### Fair Value (continued)

##### The Company

The fair values for both financial assets and liabilities together with the carrying amounts shown in the consolidated and separate statement of financial position are as follows:

	Carrying amount 2017 USD	Fair value 2017 USD	Carrying amount 2016 USD	Fair value 2016 USD
Available-for-sale investments	1,648,088,447	1,648,088,447	989,480,173	989,480,173
Other receivables	27,870,258	27,870,258	28,065,395	28,065,395
Cash and cash equivalents	94,397,836	94,397,836	6,794,489	6,794,489
Loan from City Bank	(150,000,000)	(150,000,000)	-	-
Bonds payable	(3,436,136)	(3,436,136)	(6,081,611)	(6,081,611)
Other payables	(584,029)	(584,029)	(6,121,391)	(6,121,391)

Prepaid expenses amounting to USD 862 (2016: USD 862) have been excluded in financial assets.

##### Currency profile

The currency profile of the Group and the Company's financial assets and liabilities are summarised as follows:

##### The Group

	Financial assets 2017 USD	Financial liabilities 2017 USD	Financial assets 2016 USD	Financial liabilities 2016 USD
USD	94,453,282	154,117,870	7,004,980	12,216,492
INR	2,136,006,543	-	1,305,284,001	-
	<u>2,230,459,825</u>	<u>154,117,870</u>	<u>1,312,288,981</u>	<u>12,216,492</u>

**IndusInd International Holdings Ltd and its subsidiaries**

**Notes to the consolidated and separate financial statements**  
for the year ended 31 March 2017

**17. Financial instruments and capital management (continued)**

**Fair Value (continued)**

*The Company*

	Financial assets 2017 USD	Financial liabilities 2017 USD	Financial assets 2016 USD	Financial liabilities 2016 USD
USD	122,268,094	154,020,165	34,859,884	12,203,002
INR	1,648,088,447	-	989,480,173	-
	<u>1,770,356,541</u>	<u>154,020,165</u>	<u>1,024,340,057</u>	<u>12,203,002</u>

**Credit risk**

The Group and the Company have policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. All receivables balance is monitored on an ongoing basis by management. Necessary provisions are made in the financials for credit losses for amounts past due for more than one year. The Group and the Company are affiliated with reputable financial institution which are a 'Symbol of Excellence' in the Banking category of the Indian economy.

## IndusInd International Holdings Ltd and its subsidiaries

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017

### 17. Financial instruments and capital management (continued)

#### Fair Value (continued)

#### Credit risk (continued)

#### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	The Group		The Company	
	2017 USD	2016 USD	2017 USD	2016 USD
Other receivables	1,380	210,266	27,870,258	28,065,395
Cash and cash equivalents	94,451,901	6,794,714	94,397,836	6,794,489
	<u>94,453,281</u>	<u>7,004,980</u>	<u>122,268,094</u>	<u>34,859,884</u>

#### Fair value estimation

The Group and the Company adopted the amendment to IFRS 7, effective on 01 January 2009. This requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The Company has classified its available-for-sale financial assets using a fair value hierarchy that reflects the significance of the inputs used in making the fair value measurements. The hierarchy has the following levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for the asset that are not based on observable market data (unobservable inputs).

The fair value hierarchy at 31 March 2016 is as disclosed below.

#### The Group - 2017

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Available-for-sale investments	<u>1,932,939,803</u>	<u>-</u>	<u>203,066,740</u>	<u>2,136,006,543</u>

**IndusInd International Holdings Ltd and its subsidiaries**

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017

**17. Financial instruments and capital management (continued)**

**Fair value estimation (continued)**

*The Company - 2017*

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Available-for-sale investments	<u>1,445,021,707</u>	<u>-</u>	<u>203,066,740</u>	<u>1,648,088,447</u>

*The Group - 2016*

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Available-for-sale investments	<u>1,293,985,673</u>	<u>-</u>	<u>11,298,328</u>	<u>1,305,284,001</u>

*The Company - 2016*

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Available-for-sale investments	<u>978,181,845</u>	<u>-</u>	<u>11,298,328</u>	<u>989,480,173</u>

The changes in available-for-sale financial assets measured at fair value using significant level 3 inputs are shown in note 8.

*Level 3 Fair Value reconciliation*

	2017 USD	2016 USD
Balance at 1 April	11,298,328	125,253,070
Additions/ (Disposals)	161,035,517	(71,677,271)
Change in unrealised fair value movements	30,732,895	(42,277,471)
	<u>203,066,740</u>	<u>11,298,328</u>

## IndusInd International Holdings Ltd and its subsidiaries

### Notes to the consolidated and separate financial statements for the year ended 31 March 2017

#### 17. Financial instruments and capital management (continued)

##### Fair value estimation (continued)

##### *Significant unobservable inputs used in measuring fair value*

The table below sets out information about significant unobservable inputs used at 31 March 2017 and 2016 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

Description	Valuation techniques	Unobservable inputs	Range of inputs	Sensitivity to changes in significant unobservable inputs
Unlisted private equity investments	Income approach / Discounted cash flows method Market approach / Guideline comparable companies	Projected cash flow discount rate	15% – 20%	Any change in cash projection and discounted rate may result in change in fair values.
		Terminal growth rate	3% - 8%	
		Earnings Multiples	2x – 3x	Any change in multiples and comparable companies may result in change in fair values.
		Financial and operating performance of the investee companies	Not applicable	Any change in the financial and operating performance of the investee companies, may result in change in fair values.

Some of the investee companies have reported contingencies, legal and tax disputes in their underlying financial statements which are currently ongoing.

The effects of these contingencies, legal and tax disputes have not been taken into account when ascertaining the fair value of the relevant investee companies as the outcomes were uncertain at the date of these financial statements. The Board of Directors is of the opinion that the impact of the same is not expected to be significant.

The full details of the contingencies, legal and tax disputes have been disclosed in the financial statements of the investee companies.



**IndusInd International Holdings Ltd and its subsidiaries**

**Notes to the consolidated and separate financial statements**  
for the year ended 31 March 2017

**18. Sensitivity Analysis**

**(a) Equity price sensitivity analysis**

*The Group and the Company*

The following shows the Group and the Company's sensitivity to an increase and decrease in the equity share price by 10%. 10% is the sensitivity rate used internally by key management personnel.

	Unquoted Investments	Unquoted Investments
	2017 USD	2016 USD
<b>Before sensitivity analysis</b>		
Fair value of unquoted investments	203,066,740	11,298,328
	-----	-----
<b>After sensitivity analysis</b>		
	2017 USD	2016 USD
<i>10% increase in equity share price</i>		
Fair value of unquoted investments	223,373,414	12,428,161
	-----	-----
Increase in unquoted investments.	20,306,674	1,129,833
	=====	=====
<i>10% decrease in equity share price</i>		
Fair value of unquoted investments	182,760,066	10,168,495
	-----	-----
Decrease in unquoted investments	(20,306,674)	(1,129,833)
	=====	=====

## IndusInd International Holdings Ltd and its subsidiaries

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017

### 18. Sensitivity Analysis (continued)

#### (a) Equity price sensitivity analysis (continued)

##### *The Group*

Before sensitivity analysis	Quoted Investments	Quoted Investments
	2017 USD	2016 USD
Fair value of quoted investments	1,932,939,803	1,293,985,673
<b>After sensitivity analysis</b>		
	2017 USD	2016 USD
<i>10% increase in equity share price</i>		
Fair value of quoted investments	2,126,233,783	1,423,384,240
Increase in quoted investments.	193,293,980	129,398,567
<i>10% decrease in equity share price</i>		
Fair value of quoted investments	1,739,645,823	1,164,587,106
Decrease in quoted investments	(193,293,980)	(129,398,567)

##### *The Company*

The following shows the Company's sensitivity to an increase and decrease in the equity share price by 10%. 10% is the sensitivity rate used internally by key management personnel.

Before sensitivity analysis	Quoted Investments	Quoted Investments
	2017 USD	2016 USD
Fair value of quoted investments	1,445,021,707	978,181,845
<b>After sensitivity analysis</b>		
	2017 USD	2016 USD
<i>10% increase in equity share price</i>		
Fair Value of quoted investments	1,589,523,878	1,076,000,030
Increase in quoted investments.	144,502,171	97,818,185
<i>10% decrease in equity share price</i>		
Fair Value of quoted investments	1,300,519,536	880,363,661
Decrease in quoted investments.	(144,502,171)	(97,818,185)

**IndusInd International Holdings Ltd and its subsidiaries**

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017

**18. Sensitivity Analysis (continued)**

**(b) Liquidity risk**

i) <i>The Group</i>	Due on demand	Due for less than 1 year	Due between 1 and 5 years	Due for more than 5 years	Total	Due on demand	Due for less than 1 year	Due between 1 and 5 years	Due for more than 5 years	Total
	2017 USD	2017 USD	2017 USD	2017 USD	2017 USD	2016 USD	2016 USD	2016 USD	2016 USD	2016 USD
<b>Financial liabilities</b>										
Other payables	-	681,734	-	-	681,734	-	6,134,881	-	-	6,134,881
Bonds payable	-	3,436,136	-	-	3,436,136	-	3,070,162	3,011,449	-	6,081,611
Loan from City Bank	-	-	150,000,000	-	150,000,000	-	-	-	-	-
<b>Total financial liabilities</b>	-	4,117,870	150,000,000	-	154,117,870	-	9,205,043	3,011,449	-	12,216,492

**IndusInd International Holdings Ltd and its subsidiaries**

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017

**18. Sensitivity Analysis (continued)**

**(c) Foreign currency sensitivity analysis**

The Group and the Company are mainly exposed to the Indian rupee (INR).

The following table details the Group's and the Company's sensitivity to a 10% increase and decrease in the USD against the relevant foreign currencies. 10 % is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10 % change in the foreign currency rates. A negative number below indicates a decrease in profit where the USD strengthens 10 % against the relevant currency. For a 10 % weakening of the USD against the relevant currency, there would be an equal and opposite impact on total equity, and the balances below would be positive. We also assume in the statement that all other variable remains constant.

Impact of a 10 % increase of the USD against the INR.

<i>The Group</i>	<b>2017</b>	<b>2016</b>
<b>Currency</b>	<b>USD</b>	<b>USD</b>
INR	<u>(213,600,654)</u>	<u>(130,528,400)</u>
<i>The Company</i>	<b>2017</b>	<b>2016</b>
<b>Currency</b>	<b>USD</b>	<b>USD</b>
INR	<u>164,808,845</u>	<u>(98,948,017)</u>

**(d) Interest Rate Sensitivity Analysis**

*The Group and the Company*

Variable rate of interest is the sensitivity rate used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates

If interest rates had been higher/lower by 50 basis points and all other variables were held constant, the profit and total equity for the Group for the year ended 31 March 2017 would increase/decrease by USD 472,260 (2016: increase/ decrease by USD 33,974) and for the Company increase/decrease by USD 471,989 respectively. (2016: increase/ decrease by USD 33,974). This is mainly attributable to the Group's and the Company's exposure to interest rates on variable rate of interest.

**IndusInd International Holdings Ltd and its subsidiaries**

**Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017**

**18. Sensitivity Analysis (continued)**

**(b) Liquidity risk (continued)**

ii) <i>The Company</i>	Due on demand 2017 USD	Due for less than 1 year		Due between 1 and 5 years		Due for more than 5 years		Total 2017 USD	Due on demand 2016 USD	Due for less than 1 year		Due between 1 and 5 years		Due for more than 5 years		Total 2016 USD
		2017 USD	2017 USD	2017 USD	2017 USD	2016 USD	2016 USD			2016 USD	2016 USD	2016 USD	2016 USD			
<b>Financial Liabilities</b>	-	584,029	-	-	-	-	-	584,029	-	6,121,391	-	-	-	-	-	6,121,391
Other payables	-	3,436,136	-	-	-	-	-	3,436,136	-	3,070,162	3,011,449	-	-	-	-	6,081,611
Bonds payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan from city Bank	-	-	150,000,000	-	-	-	150,000,000	150,000,000	-	-	-	-	-	-	-	-
<b>Total financial liabilities</b>	-	4,020,165	150,000,000	-	-	-	154,020,165	154,020,165	-	9,191,553	3,011,449	-	-	-	-	12,203,002

**IndusInd International Holdings Ltd and its subsidiaries**

**Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017**

**18. Sensitivity Analysis (continued)**

**(d) Interest Rate Sensitivity Analysis (continued)**

*The Group*

	2017 USD	Impact on profit & equity 2017 USD	2016 USD	Impact on profit & equity 2016 USD
Interest received	<u>1,049,277</u>	<u>472,260</u>	<u>111,228</u>	<u>33,974</u>

*The Company*

	2017 USD	Impact on profit & equity 2017 USD	2016 USD	Impact on profit & equity 2016 USD
Interest received	<u>1,049,215</u>	<u>471,989</u>	<u>110,834</u>	<u>33,974</u>

**IndusInd International Holdings Ltd and its subsidiaries**

**Notes to the consolidated and separate financial statements**  
for the year ended 31 March 2017

**19. Related party transactions**

During the year under review, the Group and the Company have entered into the following related party transaction:

*The Group*

*Transaction during the year*

<b>Name of related party</b>	<b>Relationship</b>	<b>Nature</b>	<b>2017 USD</b>	<b>2016 USD</b>
Shareholders	Shareholders	Dividend paid	(1,524,965)	(1,520,375)
Shareholders	Shareholders	Dividend payable written off	-	72,952
Shareholders	Shareholders	Reclassification of dividend payable	68,583	-
Shareholders	Shareholders	Right issue	120,357,920	-
Shareholders	Shareholders	Capitalisation of expenses	443,368	-
Shareholders	Shareholders	Prior years dividend payment	(4,370)	(466)
IndusInd Bank Ltd	Investee companies	Dividend paid	5,912,090	5,739,739
Rogers Capital Corporate Services Ltd	Administrator	Professional fees paid	(41,950)	14,750
HBS Trust Services (Mauritius) Ltd	Company secretary	Administrative fees paid	(63,161)	(51,210)
<i>Balances outstanding at 31 March:</i>				
Shareholders	Shareholders	Dividend payable	<u>313,942</u>	<u>36,641</u>

## IndusInd International Holdings Ltd and its subsidiaries

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017

### 19. Related party transactions (continued)

*The Company*

*Transaction during the year*

Name of related party	Relationship	Nature	2017 USD	2016 USD
IndusInd Ltd	Subsidiary	Loan to subsidiary	(13,749)	(28,828,719)
IndusInd Ltd	Subsidiary	Loan repaid	-	121,876
		Amount net off against receivable	-	982,257
		Amount net off against dividend income	-	1,252,720
Shareholders	Shareholders	Gift of shares Dividend paid	38,259,375 (1,444,595)	- (1,445,495)
Shareholders	Shareholders	Dividend payable written off to reserve	-	72,952
		Reclassification of dividend payable	68,583	-
		Right issue	120,357,920	-
Shareholders	Shareholders	Capitalisation of expenses	443,368	-
		Prior years dividend payment	(4,370)	(466)
IndusInd Bank Ltd	Investee company	Dividend received	4,469,214	4,412,143
IndusInd Ltd	Subsidiary	Dividend received	1,344,630	1,252,720
Rogers Capital Services Ltd	Administrator	Professional fees paid	(32,150)	(11,600)
HBS Trust Services (Mauritius) Ltd	Company secretary	Administrative fees paid	(57,846)	(47,980)



**IndusInd International Holdings Ltd and its subsidiaries**

**Notes to the consolidated and separate financial statements  
for the year ended 31 March 2017**

**19. Related party transactions (continued)**

*Balances outstanding at 31 March*

IndusInd Ltd	Subsidiary	Amount receivable	27,868,877	27,855,128
Shareholders	Shareholders	Dividend payable	<u>233,572</u>	<u>36,641</u>

**20. Key management personnel**

The Group and the Company do not have any employee and has not paid any compensation to key management personnel (2016: USD Nil).

**21. Events after reporting date**

There are no material events after the reporting date which would require disclosure or adjustment to the financial statements for the year ended 31 March 2017.

## IndusInd International Holdings Ltd and its subsidiaries

### Detailed consolidated and separate income statement for the year ended 31 March 2017

The supplementary information presented does not form part of the financial statements and is unaudited.

	The Group		The Company	
	2017 USD	2016 USD	2017 USD	2016 USD
<b>Revenue</b>				
Dividends	5,912,090	5,439,739	5,813,844	5,364,863
Other income	-	7,361	-	6,761
	<u>5,912,090</u>	<u>5,447,100</u>	<u>5,813,844</u>	<u>5,371,624</u>
Gain on disposal	-	42,228,241	34,767,067	42,228,241
	<u>5,912,090</u>	<u>47,675,341</u>	<u>40,580,911</u>	<u>47,599,865</u>
<b>Administrative expenses</b>				
Professional and legal fees	418,372	320,790	403,994	316,528
Board meeting expenses	217,741	118,390	217,741	118,390
Audit and accounting fees	31,575	24,783	24,550	19,683
Sundries	3,465	3,671	2,591	2,971
Telephone, fax and courier charges	26,060	24,497	22,830	21,715
Licence fee	4,850	4,840	2,525	2,515
Donation	100,000	50,000	100,000	50,000
Other expenses	27,992	20,265	7,434	18,615
	<u>830,055</u>	<u>567,236</u>	<u>781,665</u>	<u>550,417</u>
Profit from operating activities	5,082,035	47,108,105	39,799,246	47,049,448
Finance income	1,049,283	111,228	1,049,221	110,834
Finance costs	(2,996,678)	(37,518)	(2,995,590)	(36,542)
<b>Net finance income</b>	<u>(1,947,395)</u>	<u>73,710</u>	<u>(1,946,369)</u>	<u>74,292</u>
<b>Operating profit</b>	<u>3,134,640</u>	<u>47,181,815</u>	<u>37,852,877</u>	<u>47,123,740</u>
Share of profit from associate	109,587	109,852	-	-
<b>Profit before taxation</b>	<u>3,244,227</u>	<u>47,291,667</u>	<u>37,852,877</u>	<u>47,123,740</u>



## IndusInd International Holdings Ltd and its subsidiary

### Consolidated and separate statement of profit or loss and other comprehensive income for the year ended 31 March 2016

	Note	The Group		The Company	
		2016 USD	2015 USD	2016 USD	2015 USD
Revenue	4	5,447,100	4,774,577	5,371,624	4,662,587
Administration expenses		(567,236)	(681,456)	(550,417)	(667,374)
		<u>4,879,864</u>	<u>4,093,121</u>	<u>4,821,207</u>	<u>3,995,213</u>
Realised gain		42,228,241	-	42,228,241	-
<b>Profit from operating activities</b>		<u>47,108,105</u>	<u>4,093,121</u>	<u>47,049,448</u>	<u>3,995,213</u>
Finance income	5	111,228	142,698	110,834	142,584
Finance costs	5	(37,518)	(47,614)	(36,542)	(46,894)
<b>Net finance income</b>	5	<u>73,710</u>	<u>95,084</u>	<u>74,292</u>	<u>95,690</u>
<b>Operating profit</b>		<u>47,181,815</u>	<u>4,188,205</u>	<u>47,123,740</u>	<u>4,090,903</u>
Share of profit of associate (net of tax)	7a	109,852	114,088	-	-
<b>Profit before taxation</b>		<u>47,291,667</u>	<u>4,302,293</u>	<u>47,123,740</u>	<u>4,090,903</u>
Taxation	6	(39,312)	(33,630)	-	-
<b>Profit for the year</b>		<u>47,252,355</u>	<u>4,268,663</u>	<u>47,123,740</u>	<u>4,090,903</u>
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences		(80,467)	(66,564)	-	-
Net change in fair value of available for sale financial assets.		8,947,830	444,054,169	8,189,738	437,797,767
<b>Other comprehensive income for the year, net of income tax</b>		<u>8,867,363</u>	<u>443,987,605</u>	<u>8,189,738</u>	<u>437,797,767</u>
<b>Total comprehensive income for the year</b>		<u>56,119,718</u>	<u>448,256,268</u>	<u>55,313,478</u>	<u>441,888,670</u>

## IndusInd International Holdings Ltd and its subsidiary

Consolidated and separate statement of profit or loss and other comprehensive income (continued)  
for the year ended 31 March 2016

	The Group		The Company	
	2016 USD	2015 USD	2016 USD	2015 USD
<b>Profit attributable to:</b>				
Owners of the Company	47,180,644	4,207,330	47,123,740	4,090,903
Non-controlling interests	71,711	61,333	-	-
	<u>47,252,355</u>	<u>4,268,663</u>	<u>47,123,740</u>	<u>4,090,903</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	55,342,863	441,936,194	55,313,478	441,888,670
Non-controlling interests	776,855	6,320,074	-	-
	<u>56,119,718</u>	<u>448,256,268</u>	<u>55,313,478</u>	<u>441,888,670</u>

**IndusInd International Holdings Ltd and its subsidiary**


**Consolidated and separate statement of financial position**  
at 31 March 2016

	Note	The Group		The Company	
		2016	2015	2016	2015
		USD	USD	USD	USD
<b>Assets</b>					
Investments in subsidiary	9	-	-	271,697,047	259,952,590
Investments in associate	7	1,504,620	1,475,235	248,930	248,930
Other investments	8	1,305,284,001	1,249,915,258	989,480,173	975,435,695
<b>Total non-current assets</b>		<b>1,306,788,621</b>	<b>1,251,390,493</b>	<b>1,261,426,150</b>	<b>1,235,637,215</b>
Other receivables and prepayments	10	211,846	8,330	28,066,257	16,278
Income tax receivable	6	521	-	-	-
Cash and cash equivalents		6,794,714	8,448,827	6,794,489	8,411,947
<b>Total current assets</b>		<b>7,007,081</b>	<b>8,457,157</b>	<b>34,860,746</b>	<b>8,428,225</b>
<b>Total assets</b>		<b>1,313,795,702</b>	<b>1,259,847,650</b>	<b>1,296,286,896</b>	<b>1,244,065,440</b>

These consolidated and separate financial statements have been approved by the Board on

11 JUN 2016

..... and signed on its behalf by

  
.....  
Director

  
.....  
Director

**IndusInd International Holdings Ltd and its subsidiary**

**Consolidated and separate statement of financial position (continued)**  
at 31 March 2016

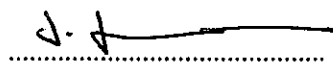
	Note	The Group		The Company	
		2016	2015	2016	2015
		USD	USD	USD	USD
<b>Equity</b>					
Stated capital	11	35,948,227	35,948,227	35,948,227	35,948,227
Other reserve		24,347,358	24,347,358	-	-
Treasury shares	12	(11,856,642)	(11,881,167)	(11,856,642)	(11,881,167)
Translation reserves		(1,405,416)	(1,324,949)	-	-
Revaluation reserves		1,018,660,405	1,010,417,719	1,138,987,524	1,130,797,786
Revenue reserves		219,645,850	173,831,493	121,004,785	75,247,332
<b>Total equity attributable to owners of the Company</b>		<b>1,285,339,782</b>	<b>1,231,338,681</b>	<b>1,284,083,894</b>	<b>1,230,112,178</b>
<b>Non-controlling interests</b>		<b>16,239,428</b>	<b>15,537,450</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>1,301,579,210</b>	<b>1,246,876,131</b>	<b>1,284,083,894</b>	<b>1,230,112,178</b>
<b>Non-current liability</b>					
Bonds payable	14	3,011,449	6,048,397	3,011,449	6,048,397
<b>Current liabilities</b>					
Bank overdraft		-	210,658	-	210,658
Bonds payable	14	3,070,162	3,066,848	3,070,162	3,066,848
Other payables	13	6,134,881	3,611,986	6,121,391	4,627,359
Income tax payable	6	-	33,630	-	-
<b>Total current liabilities</b>		<b>9,205,043</b>	<b>6,923,122</b>	<b>9,191,553</b>	<b>7,904,865</b>
<b>Total liabilities</b>		<b>12,216,492</b>	<b>12,971,519</b>	<b>12,203,002</b>	<b>13,953,262</b>
<b>Total equity and liabilities</b>		<b>1,313,795,702</b>	<b>1,259,847,650</b>	<b>1,296,286,896</b>	<b>1,244,065,440</b>

These Consolidated and separate financial statements have been approved by the Board on

11 JUN 2016

..... and signed on its behalf by

  
.....  
Director

  
.....  
Director

## IndusInd International Holdings Ltd and its subsidiary

### Consolidated and separate statement of changes in equity for the year ended 31 March 2016

	←----- Attributable to owners of the Company ----->								
	Stated capital USD	Other reserve USD	Treasury shares USD	Translation reserve USD	Revaluation Reserves USD	Revenue reserve USD	Total USD	Non - controlling interests USD	Total equity USD
Balance at 1 April 2014 - As restated	35,948,227	24,347,358	(11,781,167)	(1,258,385)	572,622,291	184,403,595	804,281,919	9,278,570	813,560,489
<b>Total comprehensive income</b>	-	-	-	-	-	4,207,330	4,207,330	61,333	4,268,663
Profit for the year	-	-	-	(66,564)	437,795,428	-	437,728,864	6,258,741	443,987,605
Other comprehensive income	-	-	-	-	-	-	-	-	-
	35,948,227	24,347,358	(11,781,167)	(1,324,949)	1,010,417,719	188,610,925	1,246,218,113	15,598,644	1,261,816,757
<b>Transactions with owners of the Company</b>									
Contributions and distributions	-	-	(100,000)	-	-	(250,000)	(350,000)	-	(350,000)
Shares bought back	-	-	-	-	-	(2,419,359)	(2,419,359)	(61,194)	(2,480,553)
Current year dividend paid	-	-	-	-	-	(13,280)	(13,280)	-	(13,280)
Dividend prior year	-	-	-	-	-	(12,096,793)	(12,096,793)	-	(12,096,793)
Bonus bonds	-	-	-	-	-	-	-	-	-
	-	-	(100,000)	-	-	(14,779,432)	(14,879,432)	(61,194)	(14,940,626)
<b>Total contributions and distributions</b>	-	-	(100,000)	-	-	(14,779,432)	(14,879,432)	(61,194)	(14,940,626)
<b>Balance at 31 March 2015</b>	35,948,227	24,347,358	(11,881,167)	(1,324,949)	1,010,417,719	173,831,493	1,231,338,681	15,537,450	1,246,876,131



## IndusInd International Holdings Ltd and its subsidiary

### Consolidated and separate statement of changes in equity (continued) for the year ended 31 March 2016

	Attributable to owners of the Company							Non - controlling interests USD	Total equity USD
	Stated capital USD	Other reserve USD	Treasury shares USD	Translation reserve USD	Revaluation Reserves USD	Revenue reserve USD	Total USD		
Balance at 1 April 2015	35,948,227	24,347,358	(11,881,167)	(1,324,949)	1,010,417,719	173,831,493	1,231,338,681	15,537,450	1,246,876,131
Total comprehensive income	-	-	-	-	-	47,180,644	47,180,644	71,711	47,252,355
Profit for the year	-	-	-	-	-	-	-	705,143	8,867,362
Other comprehensive income	-	-	-	(80,467)	8,242,686	-	8,162,219	-	-
	35,948,227	24,347,358	(11,881,167)	(1,405,416)	1,018,660,405	221,012,137	1,286,681,544	16,314,304	1,302,995,848
<b>Transactions with owners of the Company</b>									
Contributions and distributions									
Shares bought back	-	-	(2000)	-	-	(5,000)	(7,000)	-	(7,000)
Current year dividend paid	-	-	-	-	-	(1,445,495)	(1,445,495)	(74,876)	(1,520,371)
Dividend prior year	-	-	-	-	-	(466)	(466)	-	(466)
Bonds recalculation	-	-	-	-	-	38,247	38,247	-	38,247
Reclassification of dividend payable	-	-	-	-	-	72,952	72,952	-	72,952
Prior year adjustment	-	-	26,525	-	-	(26,525)	-	-	-
	-	-	24,525	-	-	(1,366,287)	(1,341,762)	(74,876)	(1,416,638)
<b>Total contributions and distributions</b>									
Balance at 31 March 2016	35,948,227	24,347,358	(11,856,642)	(1,405,416)	1,018,660,405	219,645,850	1,285,339,782	16,239,428	1,301,579,210

**IndusInd International Holdings Ltd and its subsidiary**

**Statement of changes in equity (continued)  
for the year ended 31 March 2016**

**The Company**

	<b>Stated capital USD</b>	<b>Treasury shares USD</b>	<b>Revaluation reserve USD</b>	<b>Revenue reserve USD</b>	<b>Total equity USD</b>
Balance at 1 April 2014	35,948,227	(11,781,167)	693,000,019	85,935,861	803,102,940
<b>Total comprehensive income for the year</b>	-	-	-	4,090,903	4,090,903
Profit for the year					
<b>Other comprehensive income</b>					
Unrealised gain on revaluation of investments	-	-	437,797,767	-	437,797,767
<b>Transactions with owners of the Company</b>					
<b>Contributions and distributions</b>					
Shares bought-back	-	(100,000)	-	(250,000)	(350,000)
Current year dividend paid	-	-	-	(2,419,359)	(2,419,359)
Bonds payable	-	-	-	(12,096,793)	(12,096,793)
Dividend prior year	-	-	-	(13,280)	(13,280)
<b>Balance at 31 March 2015</b>	<u>35,948,227</u>	<u>(11,881,167)</u>	<u>1,130,797,786</u>	<u>75,247,332</u>	<u>1,230,112,178</u>

**IndusInd International Holdings Ltd and its subsidiary**

**Statement of changes in equity (continued)**  
*for the year ended 31 March 2016*

**The Company (continued)**

	Stated capital USD	Treasury shares USD	Revaluation reserve USD	Revenue reserve USD	Total equity USD
<b>Balance at 1 April 2015</b>	35,948,227	(11,881,167)	1,130,797,786	75,247,332	1,230,112,178
<b>Total comprehensive income for the year</b>	-	-	-	47,123,740	47,123,740
<b>Profit for the year</b>	-	-	-	-	-
<b>Other comprehensive income</b>	-	-	8,189,738	-	8,189,738
Unrealised gain on revaluation of investments	-	-	-	-	-
<b>Transactions with owners of the Company</b>	-	-	-	-	-
<b>Contributions and distributions</b>	-	(2,000)	-	(5,000)	(7,000)
Shares bought-back	-	-	-	(1,445,495)	(1,445,495)
Current year dividend paid	-	-	-	38,247	38,247
Bonds recalled	-	-	-	(466)	(466)
Dividend prior year	-	-	-	72,952	72,952
Reclassification of dividend payable	-	-	-	(26,525)	-
Prior year adjustment	-	26,525	-	-	-
<b>Balance at 31 March 2016</b>	<b>35,948,227</b>	<b>(11,856,642)</b>	<b>1,138,987,524</b>	<b>121,004,785</b>	<b>1,284,083,894</b>

## IndusInd International Holdings Ltd and its subsidiary

### Consolidated and separate statement of cash flows for the year ended 31 March 2016

	The Group		The Company	
	2016 USD	2015 USD	2016 USD	2015 USD
<b>Cash flows from operating activities</b>				
Profit for the year	47,252,355	4,268,663	47,123,740	4,090,903
<i>Adjustments for:</i>				
Interest income	(111,228)	(141,795)	(110,834)	(141,681)
Dividend income	(5,439,739)	(4,653,810)	(5,364,863)	(4,541,820)
Realised gain on disposal of Investment	(42,228,241)	-	(42,228,241)	-
Interest expense	-	16,339	-	-
Share of profit of associate (net of tax)	(109,852)	(114,088)	-	-
Taxation	39,312	33,630	-	-
	(597,393)	(591,061)	(580,198)	(592,598)
Change in other receivables and prepayments	(203,516)	30,442	(28,049,981)	25,489
Change in other payables	2,522,895	1,502,254	1,494,031	1,523,411
<b>Cash generated from / (used in) operating activities</b>	1,721,986	941,635	(27,136,148)	956,302
Income tax(paid)/ refund	(73,463)	541	-	-
Interest paid	-	(681)	-	-
<b>Net cash from / (used in) operating activities</b>	1,648,523	941,495	(27,136,148)	956,302
<b>Cash flows from investing activities</b>				
Interest received	111,228	141,795	110,834	141,681
Dividend received	5,439,739	4,653,810	5,364,863	4,541,820
Acquisition of investments	(118,098,184)	-	(89,276,468)	-
Disposal proceeds of Investments	113,905,512	-	113,905,512	-
<b>Net cash from investing activities</b>	1,358,295	4,795,605	30,104,741	4,683,501
<b>Cash flows from financing activities</b>				
Dividend paid	(1,520,375)	(2,480,553)	(1,445,495)	(2,419,359)
Prior year dividends paid	(466)	(13,280)	(466)	(13,280)
Payment on buy-back of shares	(7,000)	(350,000)	(7,000)	(350,000)
Re-classification of dividend payable	72,952	-	72,952	-
Payment of Bonds	(2,995,384)	(2,981,550)	(2,995,384)	(2,981,548)
<b>Net cash flow used in financing activities</b>	(4,450,273)	(5,825,383)	(4,375,393)	(5,764,187)
<b>Net decrease in cash and cash equivalents</b>	(1,443,455)	(88,283)	(1,406,800)	(124,384)
Cash and cash equivalent at 1 April	8,238,169	8,326,452	8,201,289	8,325,673
Cash and cash equivalent at 31 March	6,794,714	8,238,169	6,794,489	8,201,289

**IndusInd International Holdings Ltd and its subsidiary**

**Consolidated and separate statement of cash flows (continued)**  
*for the year ended 31 March 2016*

	<b>The Group</b>		<b>The Company</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Cash and cash equivalents at the end of the year:</b>				
Cash and cash equivalents	<b>6,794,714</b>	8,448,827	<b>6,794,489</b>	8,411,947
Bank overdraft*	-	(210,658)	-	(210,658)
	<u><b>6,794,714</b></u>	<u>8,238,169</u>	<u><b>6,794,489</b></u>	<u>8,201,289</u>

\*The bank overdraft is repayable on demand.

## **IndusInd International Holdings Ltd and its subsidiary**

### **Notes to the consolidated and separate financial statements for the year ended 31 March 2016**

#### **1. General information**

The Company was incorporated as a public limited company in the Republic of Mauritius on 4 October 1993. The consolidated and separate financial statements for the year ended 31 March 2016 comprise the Company and its subsidiary (together referred to as the “Group”) and the Group’s interest in associate. The principal activity of Group is that of investment holding.

The Company as a holder of a Category 1 Global Business Licence under the Companies Act and the Financial Services Act 2007 is required to carry on its business in a currency other than the Mauritian rupee. Since the Company operates in an international environment and conducts most of its transactions in foreign currencies the Company has chosen to retain the United States Dollar (USD) as its reporting currency.

#### **2. Basis of preparation**

##### *(a) Statement of compliance*

The consolidated and separate financial statements as issued by the International Accounting Standards Board (IASB) have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and the Mauritius Companies Act.

##### *(b) Basis of measurement*

The consolidated and separate financial statements have been prepared on a historical cost basis except that financial assets and financial liabilities are fair valued.

##### *(c) Functional and presentation currency*

The consolidated and separate financial statements are presented in United States Dollar (USD) which is the Company and Group functional currency. All amounts have been rounded to the nearest dollar, unless otherwise indicated.

##### *(d) Use of estimates and judgement*

In preparing these consolidated and separate financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

## IndusInd International Holdings Ltd and its subsidiary

### Notes to the consolidated and separate financial statements for the year ended 31 March 2016

#### 2. Basis of preparation (continued)

##### (e) Use of estimates and judgement (continued)

###### (i) Judgement

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated and separate financial statements is included in the following note:

Functional and presentation currency: -Functional currency is the currency of the primary economic environment of the Group and the Company operates. If indicators of the primary economic environment are mixed, then management used its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The majority of the Company transactions are denominated in USD. The expenses are denominated and paid in USD. Accordingly, management has determined that the functional currency of the Company and the Group is USD.

###### (ii) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment in the year ended 31 March 2016 is included in the following note:

- Note 15 and relates to the determination of the fair value of financial instruments with significant unobservable inputs

##### Measurement of fair values

A number of the Company's and Group's accounting policies and disclosures require the measurement of fair value, for both financial and non-financial assets and liabilities.

The Company and Group has established control framework with respect to the measurement of fair values. When measuring fair value of an asset or a liability, the Company and Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs on the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

## **IndusInd International Holdings Ltd and its subsidiary**

### **Notes to the consolidated and separate financial statements for the year ended 31 March 2016**

#### **2. Basis of preparation (continued)**

##### *(f) Changes in accounting policies*

Except for the changes below, the Group and the Company have consistently applied the accounting policies set out in Note 3 to all periods presented in these consolidated and separate financial statements.

##### *Amendments to IAS 24: Annual Improvements to IFRSs 2010–2012 Cycle*

The definition of a ‘related party’ is extended to include a management entity that provides key management personnel (KMP) services to the reporting entity, either directly or through a group entity. For related party transactions that arise when KMP services are provided to a reporting entity, the reporting entity is required to separately disclose the amounts that it has recognised as an expense for those services that are provided by a management entity; however, it is not required to ‘look through’ the management entity and disclose compensation paid by the management entity to the individuals providing the KMP services. The reporting entity will also need to disclose other transactions with the management entity under the existing disclosure requirements of IAS 24.

The application of the amendments has resulted in additional disclosures to be made to the financial statements.

#### **3. Significant accounting policies**

Except for the changes explained in Note 2(f), the Group and the Company have consistently applied the following accounting policies to all periods presented in these consolidated and separate financial statements.

##### *(a) Revenue recognition*

###### *Dividend income*

Dividend income is recognised in the consolidated and separate statement of profit or loss and other comprehensive income on the date that the Group’s right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

##### *(b) Basis of consolidation*

###### *(i) Subsidiary*

A subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the consolidated and separate financial statements from the date on which control commences until the date on which control ceases.

Investment in subsidiary in the separate statement of financial position is measured at fair value through profit or loss in accordance with IAS 39.



## **IndusInd International Holdings Ltd and its subsidiary**

### **Notes to the consolidated and separate financial statements for the year ended 31 March 2016**

#### **3. Significant accounting policies (continued)**

##### *(b) Basis of consolidation (continued)*

##### *(ii) Non-controlling interests*

Non-controlling interest in the equity and results of the entities that are controlled by the Group is shown as a separate item in the consolidated and separate financial statements.

Non-controlling interest are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

##### *(iii) Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

##### *(iv) Investment in associates*

The Group's interests in equity-accounted investees comprise interests in associates. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated and separate financial statements include the Group's share of the profit or loss and other comprehensive income (OCI) of equity-accounted investees, until the date on which significant influence or joint control ceases.

##### *(v) Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

##### *(c) Finance income and finance costs*

The Group and Company finance income and finance costs include:

- Interest income;
- Interest expense; and
- The foreign currency gain or loss on financial assets and financial liabilities.

## IndusInd International Holdings Ltd and its subsidiary

### Notes to the consolidated and separate financial statements for the year ended 31 March 2016

#### 3. Significant accounting policies (continued)

##### (c) Finance income and finance costs (continued)

###### (i) Interest income

Interest income relates to bank interest received in banks and is recognised, using the effective interest method.

###### (ii) Interest expense

Interest expense is recognised on borrowings that are recognised in the consolidated and separate statement of profit or loss and other comprehensive income.

###### (iii) Foreign currency gain or loss

Transactions in foreign currencies are translated at the foreign exchange rate at the date of transaction. Foreign exchange differences arising on translation are recognised in the statement of profit or loss and other comprehensive income.

##### (d) Taxation

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

###### (i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

###### (ii) Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

## **IndusInd International Holdings Ltd and its subsidiary**

### **Notes to the consolidated and separate financial statements for the year ended 31 March 2016**

#### **3. Significant accounting policies (continued)**

##### *(d) Taxation (continued)*

##### *(ii) Deferred Tax (continued)*

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reduction are reversed when the profitability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets liabilities are offset only if certain criteria are met.

##### *(e) Foreign currency transactions*

Transactions in foreign currencies are translated at the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to United States Dollar (USD) at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Foreign exchange differences arising on translation are recognised in the consolidated and separate statement of profit or loss and other comprehensive Income. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

However, foreign currency differences arising from the translation of the following items are recognised in OCI.

- Available-for-sale equity investments (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss).

##### *(f) Impairment*

##### *(i) Non derivative financial assets*

Financial assets not classified as at fair value through profit and loss are assessed at each reporting period date to determine whether there is objective evidence of impairment.

## IndusInd International Holdings Ltd and its subsidiary

### Notes to the consolidated and separate financial statements for the year ended 31 March 2016

#### 3. Significant accounting policies (continued)

##### (f) Impairment (continued)

##### (ii) Non derivative financial assets (continued)

Objective evidence that financial assets are impaired includes:

- Default or delinquency by a debtor;
- Restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- Indication that a debtor or issuer will enter bankruptcy;
- Adverse changes in the payment status of borrowers or issuers;
- The disappearance of an active market for the security; or
- Observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

For an investment in an equity security, objective evidence of impairment includes a significant or prolonged decline in its fair value below its cost. The Group and the Company consider a decline of 20% to be significant and a period of nine months to be prolonged.

##### *Financial assets measured at amortised costs*

The Group and the Company consider evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group and the Company uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Group and the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

## **IndusInd International Holdings Ltd and its subsidiary**

### **Notes to the consolidated and separate financial statements for the year ended 31 March 2016**

#### **3. Significant accounting policies (continued)**

(f) *Impairment (continued)*

(i) *Non derivative financial assets (continued)*

##### *Available-for-sale financial assets*

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortisation) and the current fair value, less any impairment loss previously recognised in profit or loss. If the fair value of an impaired available-for-sale debt security subsequently increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed through profit or loss; otherwise, it is reversed through OCI.

##### *Equity-accounted investees*

An impairment loss in respect of an equity-accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit or loss, and is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

##### *Financial instruments*

The Group and the Company classifies non-derivative financial assets into the following categories: loans and receivables and available-for-sale financial assets.

The Group classifies non-derivative financial liabilities into the other financial liabilities category.

(i) *Non-derivative financial assets and financial liabilities – Recognition and derecognition*

The Group and the Company initially recognises loans and receivables and debt securities issued on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date.

The Group and the Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group and the Company is recognised as a separate asset or liability.

The Group and the Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

## IndusInd International Holdings Ltd and its subsidiary

### Notes to the consolidated and separate financial statements for the year ended 31 March 2016

#### 3. Significant accounting policies (continued)

##### (f) Financial instruments (continued)

##### (i) Non-derivative financial assets and financial liabilities – Recognition and derecognition (continued)

Financial assets and financial liabilities are offset and the net amount presented in the consolidated and separate statement of financial position when, and only when, the Group and the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

##### (ii) Non-derivative financial assets – Measurement

###### Loans and receivables

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Loans and receivables comprises of other receivables and cash and cash equivalents

###### Available-for-sale financial assets

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on debt instruments, are recognised in OCI and accumulated in the fair value reserve. When these assets are derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

###### Cash and cash equivalents

Cash comprises of cash balances. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Bank overdraft that is repayable on demand and forms an integral part of the Group's and the Company's cash management is included as a component of cash and cash equivalents for the purpose of the consolidated and separate statement of cash flows.

###### Non-derivative financial liabilities – Measurement

Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

Non-derivative financial liabilities comprises of bonus bonds, bank overdraft and other payables.

## IndusInd International Holdings Ltd and its subsidiary

### Notes to the consolidated and separate financial statements for the year ended 31 March 2016

#### 3. Significant accounting policies (continued)

##### (g) Provisions

Provisions are recognised in the consolidated and separate statement of financial position when the Group and Company has a legal or constructive obligation as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

##### (h) Stated capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

##### (i) Treasury shares

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

##### (j) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not effective for annual periods beginning on or after 01 April 2015, and have not been applied in preparing these consolidated and separate financial statements. Those which may be relevant to the Group and the Company are set out below. The Group and the Company do not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated:

Standard/Interpretation		Effective date
Amendments to IFRS 10, IFRS 12 and IAS 28	Disclosure amendments	Annual periods beginning on or after 1 January 2016
Amendments to IAS 1	Disclosure Initiative	Annual periods beginning on or after 1 January 2016
IAS 7	Disclosure amendments	Annual periods beginning on or after 1 January 2017
IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses	Annual periods beginning on or after 1 January 2017
IFRS 9	Financial Instruments	Annual periods beginning on or after 1 January 2018
IFRS 15	Revenue from Contracts with Customers	Annual periods beginning on or after 1 January 2018

## **IndusInd International Holdings Ltd and its subsidiary**

### **Notes to the consolidated and separate financial statements for the year ended 31 March 2016**

#### **3. Significant accounting policies (continued)**

##### *(j) New standards and interpretations not yet adopted (continued)*

###### *Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28)*

The amendment to IFRS 10 Consolidated Financial Statements clarifies which subsidiaries of an investment entity are consolidated instead of being measured at fair value through profit and loss. The amendment also modifies the condition in the general consolidation exemption that requires an entity's parent or ultimate parent to prepare consolidated financial statements. The amendment clarifies that this condition is also met where the ultimate parent or any intermediary parent of a parent entity measures subsidiaries at fair value through profit or loss in accordance with IFRS 10 and not only where the ultimate parent or intermediate parent consolidates its subsidiaries.

The amendment to IFRS 12 Disclosure of Interests in Other Entities requires an entity that prepares financial statements in which all its subsidiaries are measured at fair value through profit or loss in accordance with IFRS 10 to make disclosures required by IFRS 12 relating to investment entities.

The amendment to IAS 28 Investments in Associates and Joint Ventures modifies the conditions where an entity need not apply the equity method to its investments in associates or joint ventures to align these to the amended IFRS 10 conditions for not presenting consolidated financial statements.

The amendments introduce relief when applying the equity method which permits a non-investment entity investor in an associate or joint venture that is an investment entity to retain the fair value through profit or loss measurement applied by the associate or joint venture to its subsidiaries.

The adoption of the above amendments shall not have significant impact in the Group's and the Company's consolidated and separate financial statement.

###### *Disclosure Initiative (Amendments to IAS 1)*

The amendments provide additional guidance on the application of materiality and aggregation when preparing financial statements. The amendments also clarify presentation principles applicable to of the order of notes, OCI of equity accounted investees and subtotals presented in the statement of financial position and statement of profit or loss and other comprehensive income.

The adoption of the above amendments shall not have significant impact in the Group's and the Company's consolidated and separate financial statement.

###### *Disclosure Initiative (Amendments to IAS 7)*

The amendments provide for disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow and non-cash changes. This includes providing a reconciliation between the opening and closing balances for liabilities arising from financing activities.



## **IndusInd International Holdings Ltd and its subsidiary**

### **Notes to the consolidated and separate financial statements for the year ended 31 March 2016**

#### **3. Significant accounting policies (continued)**

##### *(j) New standards and interpretations not yet adopted (continued)*

###### *Disclosure Initiative (Amendments to IAS 7) (continued)*

The adoption of the above amendments shall not have significant impact in the Group's and the Company's consolidated and separate financial statement.

###### *Recognition of Deferred Tax Assets for Unrealised Losses (Amendments to IAS 12)*

The amendments provide additional guidance on the existence of deductible temporary differences, which depend solely on a comparison of the carrying amount of an asset and its tax base at the end of the reporting period, and is not affected by possible future changes in the carrying amount or expected manner of recovery of the asset.

The amendments also provide additional guidance on the methods used to calculate future taxable profit to establish whether a deferred tax asset can be recognised.

Guidance is provided where an entity may assume that it will recover an asset for more than its carrying amount, provided that there is sufficient evidence that it is probable that the entity will achieve this.

Guidance is provided for deductible temporary differences related to unrealised losses are not assessed separately for recognition. These are assessed on a combined basis, unless a tax law restricts the use of losses to deductions against income of a specific type.

The adoption of the above amendments shall not have significant impact in the Group's and the Company's consolidated and separate financial statement.

###### *IFRS 9 Financial Instruments*

On 24 July 2014, the IASB issued the final IFRS 9 Financial Instruments Standard, which replaces earlier versions of IFRS 9 and completes the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. This standard will have a significant impact on the Group, which will include changes in the measurement bases of the Group's financial assets to amortised cost, fair value through other comprehensive income or fair value through profit or loss. Even though these measurement categories are similar to IAS 39, the criteria for classification into these categories are significantly different. In addition, the IFRS 9 impairment model has been changed from an "incurred loss" model from IAS 39 to an "expected credit loss" model.

The adoption of the above amendments shall not have significant impact in the Group's and the Company's consolidated and separate financial statement.

## IndusInd International Holdings Ltd and its subsidiary

### Notes to the consolidated and separate financial statements for the year ended 31 March 2016

#### 3. Significant accounting policies (continued)

##### (j) New standards and interpretation not yet adopted (continued)

###### *IFRS 15 Revenue from contracts with customers*

This standard replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers and SIC-31 Revenue – Barter of Transactions Involving Advertising Services.

The standard contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.

The adoption of the above amendments shall not have significant impact in the Group's and the Company's consolidated and separate financial statement.

#### 4. Revenue

Revenue consists of:

	The Group		The Company	
	2016 USD	2015 USD	2016 USD	2015 USD
Dividend income	5,439,739	4,653,810	5,364,863	4,541,820
Other income	7,361	120,767	6,761	120,767
	<u>5,447,100</u>	<u>4,774,577</u>	<u>5,371,624</u>	<u>4,662,587</u>

#### 5. Net finance income

	The Group		The Company	
	2016 USD	2015 USD	2016 USD	2015 USD
<b>Finance income</b>				
Interest received	111,228	141,795	110,834	141,681
Exchange gain	-	903	-	903
	<u>111,228</u>	<u>142,698</u>	<u>110,834</u>	<u>142,584</u>
<b>Finance cost</b>				
Bank charges	(35,302)	(31,275)	(34,326)	(30,555)
Interest paid	(1,983)	(16,339)	(1,983)	(16,339)
Exchange loss	(233)	-	(233)	-
	<u>(37,518)</u>	<u>(47,614)</u>	<u>(36,542)</u>	<u>(46,894)</u>
<b>Net finance income</b>	<u>73,710</u>	<u>95,084</u>	<u>74,292</u>	<u>95,690</u>

## IndusInd International Holdings Ltd and its subsidiary

### Notes to the consolidated and separate financial statements for the year ended 31 March 2016

#### 6. Taxation

##### *The Group*

The Group is subject to income tax at the rate between 15% - 33.66%.

##### *The Company*

The Company is subject to income tax in Mauritius at the rate of 15%. It is, however, entitled to a tax credit equivalent to the higher of the foreign tax paid or 80% of the Mauritian tax on its foreign source income.

*Recognised in consolidated and separate statement of profit or loss and other comprehensive income.*

##### Current tax expense

	The Group		The Company	
	2016	2015	2016	2015
	USD	USD	USD	USD
Current year income tax	(39,312)	(33,630)	-	-
	<u>(39,312)</u>	<u>(33,630)</u>	<u>-</u>	<u>-</u>

##### *Reconciliation of effective tax*

	The Group		The Company	
	2016	2015	2016	2015
	USD	USD	USD	USD
Profit before taxation	<u>47,291,667</u>	<u>4,302,293</u>	<u>47,123,740</u>	<u>4,090,903</u>
Income tax at 15%	7,093,750	645,344	7,068,561	613,635
Tax exempt revenues	(6,350,849)	(153,607)	(6,522,255)	(153,590)
Non allowable expenses	342,040	576,124	342,075	576,124
Foreign tax credit	(1,045,629)	(1,034,231)	(888,381)	(1,036,169)
Tax expense	<u>39,312</u>	<u>33,630</u>	<u>-</u>	<u>-</u>

##### *Consolidated and separate statement of financial position*

	The Group		The Company	
	2016	2015	2016	2015
	USD	USD	USD	USD
At 01 April	33,630	(541)	-	-
Current year income tax	39,312	33,630	-	-
Tax refund / (paid)	(73,463)	541	-	-
Income tax payable/ (receivable)	<u>(521)</u>	<u>33,630</u>	<u>-</u>	<u>-</u>

## IndusInd International Holdings Ltd and its subsidiary

### Notes to the consolidated and separate financial statements for the year ended 31 March 2016

#### 7. Investments in associate

##### *The Group*

	2016	2015
	USD	USD
Cost		
At 31 March	248,930	248,930
Unrealised appreciation		
At 01 April 2015 and 01 April 2014	1,226,305	1,178,780
Movement during the year	29,385	47,525
At 31 March	1,255,690	1,226,305
Carrying value		
At 31 March	1,504,620	1,475,235

#### 7a. Analysis of investments in associate

##### *The Group*

<i>Name of company</i>	<i>Country of incorporation</i>	<i>% held</i>	<i>Principal activity</i>	Initial Cost USD 2016 and 2015	Carrying amount USD 2016	Carrying amount USD 2015
<b>Associate</b>						
IndusInd Information Technology Limited	India	49.99	Software development	248,930	1,504,620	1,475,235

##### *The Group*

<i>Investments in IndusInd Information Technology Limited consist of unquoted shares:</i>	Carrying amount 2016 USD	Carrying amount 2015 USD
Cost	248,930	248,930
Share of profit for prior years	1,990,256	1,876,167
Company's share of profit of associate for the year	109,852	114,088
Exchange difference on re-translation	(844,418)	(763,950)
At 31 March	1,504,620	1,475,235

## IndusInd International Holdings Ld and its subsidiary

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2016

### 7. Investments in associate (continued)

#### 7b. Investment in IndusInd Information Technology Limited

Summarised financial information in respect of the associate is set out below:

	2016 USD	2015 USD
Total assets	3,012,329	2,953,538
Total liabilities	(2,488)	(2,477)
Net assets	<u>3,009,841</u>	<u>2,951,061</u>
Group's share of associate's net assets (49.99%)	<u>1,504,620</u>	<u>1,475,235</u>
	2016 USD	2015 USD
Revenue	<u>277,883</u>	286,946
Profit for the year	<u>219,748</u>	228,224
Group's share of profit of associate (49.99%)	<u>109,852</u>	<u>114,088</u>
<i>The Company</i>		
	2016 USD	2015 USD
<i>Cost / Carrying value</i> At 01 April 2015 and 31 March 2016	<u>248,930</u>	<u>248,930</u>

### 8. Available-for-sale investments

Available-for-sale investments consist of unquoted shares and quoted shares. Quoted shares are on the National Stock Exchange and Mumbai Stock Exchange.

*The Group - 2016*

	Quoted USD	Unquoted USD	Total USD
<i>Cost</i>			
At 01 April 2015	51,294,917	78,541,982	129,836,899
Additions/ (Disposal)	118,098,184	(71,677,271)	46,420,913
At 31 March 2016	<u>169,393,101</u>	<u>6,864,711</u>	<u>176,257,812</u>

## IndusInd International Holdings Ltd and its subsidiary

### Notes to the consolidated and separate financial statements for the year ended 31 March 2016

#### 8. Available-for-sale investments (continued)

	Quoted USD	Unquoted USD	Total USD
<i>Unrealised appreciation/(depreciation)</i>			
At 01 April 2015	1,073,367,271	46,711,088	1,120,078,359
Movement during the year	51,225,301	(42,277,471)	8,947,830
At 31 March 2016	<u>1,124,592,572</u>	<u>4,433,617</u>	<u>1,129,026,189</u>
<i>Market value</i>			
At 31 March 2016	<u>1,293,985,673</u>	<u>11,298,328</u>	<u>1,305,284,001</u>
<i>The Group - 2015</i>			
	Quoted USD	Unquoted USD	Total USD
Cost at 1 April 2014 and 31 March 2015	<u>51,294,917</u>	<u>78,541,982</u>	<u>129,836,899</u>
<i>Unrealised appreciation/(depreciation)</i>			
At 01 April 2014	618,672,522	57,351,668	676,024,190
Movement during the year	454,694,749	(10,640,580)	444,054,169
At 31 March 2015	<u>1,073,367,271</u>	<u>46,711,088</u>	<u>1,120,078,359</u>
<i>Market value</i>			
At 31 March 2015	<u>1,124,662,188</u>	<u>125,253,070</u>	<u>1,249,915,258</u>
<i>The Company – 2016</i>			
	Quoted USD	Unquoted USD	Total USD
<i>Cost</i>			
At 1 April 2015	19,269,099	78,541,982	97,811,081
Additions/ (Disposal)	89,276,468	(71,677,271)	17,599,197
At 31 March 2016	<u>108,545,567</u>	<u>6,864,711</u>	<u>115,410,278</u>
<i>Unrealised appreciation/(depreciation)</i>			
At 1 April 2015	830,913,526	46,711,088	877,624,614
Movement during the year	38,722,752	(42,277,471)	(3,554,719)
At 31 March 2016	<u>869,636,278</u>	<u>4,433,617</u>	<u>874,069,895</u>
<i>Market value</i>			
At 31 March 2016	<u>978,181,845</u>	<u>11,298,328</u>	<u>989,480,173</u>

## IndusInd International Holdings Ltd and its subsidiary

### Notes to the consolidated and separate financial statements for the year ended 31 March 2016

#### 8. Available-for-sale investments (continued)

##### *The Company – 2015*

	Quoted USD	Unquoted USD	Total USD
<i>Cost</i>			
At 1 April 2014 and 31 March 2015	19,269,099	78,541,982	97,811,081
<i>Unrealised Appreciation/(Depreciation)</i>			
At 1 April 2014	487,189,357	57,351,668	544,541,025
Movement during the year	343,724,169	(10,640,580)	333,083,589
At 31 March 2015	830,913,526	46,711,088	877,624,614
<i>Market value</i>			
At 31 March 2015	850,182,625	125,253,070	975,435,695

#### 8(a) Portfolio of investments

<i>The company</i>	<i>Country of</i>	<i>%</i>	<i>Principal</i>	<i>Cost</i>	<i>Market</i>	<i>Cost</i>	<i>Market</i>
<i>Name of company</i>	<i>incorporation</i>	<i>held</i>	<i>activity</i>	<i>USD</i>	<i>value</i>	<i>USD</i>	<i>value</i>
				<i>2016</i>	<i>2016</i>	<i>2015</i>	<i>2015</i>
<b>Available-for-sale investments</b>							
Indusind Media & Communication Ltd (unquoted)	India	1.10%	Tele-communications	5,530,900	5,977,276	56,460,000	61,799,185
Hinduja Leyland Finance* (Unquoted)	India	1.19%	Non-Banking Finance Company	1,333,811	5,321,052	22,081,982	63,453,885
IndusInd Bank Limited (Quoted)	India	11.27%	Banking services	108,545,567	978,181,845	19,269,099	850,182,625
	Total			115,410,278	989,480,173	97,811,081	975,435,695

\*The Company does not have significant influence over Hinduja Leyland Finance, therefore equity accounting as per IAS 28 – Investments in Associates has not been applied.

## IndusInd International Holdings Ltd and its subsidiary

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2016

### 8. Available-for-sale investments (continued)

#### 8(a) Portfolio of investments (continued)

Available-for-sale investments	Restriction on disposal of shares
Indusind Media & Communication Ltd (Unquoted)	There is no restriction on disposal of shares of IndusInd Media & Communication Ltd.
Hinduja Leyland Finance(Unquoted)	There is a Lock-in undertaking from IndusInd International Holdings Limited (IIHL), pursuant to which IIHL is required to intimate Hinduja Leyland Finance, our Books Lead Running Managers and Legal counsels to our issue of any event of sale or transfer of the equity shares, during the period from filling of DRHP with SEBI till the date.
IndusInd Bank Limited (Quoted)	The 6,638,224 shares allotted under preferential basis are locked-in up to 14 August 2018.

### 9. Investment in subsidiary

#### The Company

	2016 USD	2015 USD
<i>Cost</i>		
At 31 March 2016 and 01 April 2015	<u>6,779,417</u>	<u>6,779,417</u>
<i>Unrealised Appreciation</i>		
At 01 April 2015 and 01 April 2014	253,173,173	148,458,995
Movement during the year	<u>11,744,457</u>	<u>104,714,178</u>
At 31 March	<u>264,917,630</u>	<u>253,173,173</u>
<i>Market value</i>		
At 31 March	<u>271,697,047</u>	<u>259,952,590</u>

#### 9. (a) Portfolio of investments

Name of company	Country of incorporation	% held	Principal Activity	Cost USD 2016	Market value USD 2016	Cost USD 2015	Market value USD 2015
<b>Subsidiary</b>							
IndusInd Ltd	Mauritius	94.36%	Investment holding	<u>6,779,417</u>	<u>271,697,047</u>	<u>6,779,417</u>	<u>259,952,590</u>



## IndusInd International Holdings Ltd and its subsidiary

### Notes to the consolidated and separate financial statements for the year ended 31 March 2016

#### 10. Other receivables and prepayments

	The Group		The Company	
	2016 USD	2015 USD	2016 USD	2015 USD
Prepayments	1,580	1,580	862	862
Loan to subsidiary*	-	-	27,855,128	8,666
Debtors	210,266	6,750	210,267	6,750
	<u>211,846</u>	<u>8,330</u>	<u>28,066,257</u>	<u>16,278</u>

\* The loan to subsidiary is interest free and is repayable on demand.

#### 11. Stated capital

	The Group		The Company	
	2016 USD	2015 USD	2016 USD	2015 USD
<i>Issued and fully paid</i>				
Ordinary shares of USD 1 each	<u>35,948,227</u>	<u>35,948,227</u>	<u>35,948,227</u>	<u>35,948,227</u>

All shares in issue are fully paid up.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company but this provision shall be subject to the provisions with respect to voting power attached to any shares which may be subject to special conditions.

#### 12. Treasury shares

The Company bought-back its issued shares as follows:

	The Group		The Company	
	2016 USD	2015 USD	2016 USD	2015 USD
Balance at 01 April	11,881,167	11,781,167	11,881,167	11,781,167
Bought-back during the year	2,000	100,000	2,000	100,000
Adjustment	(26,525)	-	(26,525)	-
<b>Balance at 31 March</b>	<u>11,856,642</u>	<u>11,881,167</u>	<u>11,856,642</u>	<u>11,881,167</u>

The treasury shares are being held by the Company and have not been cancelled.

## IndusInd International Holdings Ltd and its subsidiary

### Notes to the consolidated and separate financial statements for the year ended 31 March 2016

#### 13. Other payables

	The Group		The Company	
	2016 USD	2015 USD	2016 USD	2015 USD
Dividends payable	36,641	1,437,658	36,641	108,980
Other creditors and accruals	98,240	158,670	84,750	145,868
Loan from bank*	6,000,000	2,000,000	6,000,000	2,000,000
Loan from subsidiary*	-	-	-	2,356,853
Interest payable	-	15,658	-	15,658
	<u>6,134,881</u>	<u>3,611,986</u>	<u>6,121,391</u>	<u>4,627,359</u>

\*The loan from bank and subsidiary are interest free and are repayable on demand.

#### 14. Bonds payable

	The Group		The Company	
	2016 USD	2015 USD	2016 USD	2015 USD
Balance at 01 April 2015	9,115,245	12,096,793	9,115,245	12,096,793
Bonds recalled	(38,250)	-	(38,250)	-
Payment made during the year	(2,995,384)	(2,981,548)	(2,995,384)	(2,981,548)
Balance at 31 March 2016	<u>6,081,611</u>	<u>9,115,245</u>	<u>6,081,611</u>	<u>9,115,245</u>

#### Analysis of figures

	The Group		The Company	
	2016 USD	2015 USD	2016 USD	2015 USD
Payable within one year	3,070,162	3,066,848	3,070,162	3,066,848
Payable after one year	3,011,449	6,048,397	3,011,449	6,048,397
	<u>6,081,611</u>	<u>9,115,245</u>	<u>6,081,611</u>	<u>9,115,245</u>

During the year 2015-2016, a second tranche of Bonus Bonds amounting to USD 3,011,449 has been paid off to the shareholders. From the second tranche we have an outstanding balance of USD 58,713 and USD 3,011,449 is payable during the year 2016-2017.

## **IndusInd International Holdings Ltd and its subsidiary**

### **Notes to the consolidated and separate financial statements for the year ended 31 March 2016**

#### **15. Financial instruments and capital management**

##### *Overview*

The Group and the Company have exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group and the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Group and the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group and the Company's activities.

##### **(a) Credit risk**

Credit risk represents the potential loss that the Group and the Company would incur if counter parties fail to perform pursuant to the terms of their obligations to the Group and the Company. The Group and the Company limits its credit risk by carrying out transactions only with its related parties. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated and separate statement of financial position.

##### **(b) Liquidity risk**

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group and the Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they become due without incurring unacceptable losses or risking damage to the Group and the Company's reputation.

##### **(c) Market risk**

Market risk represents the potential loss that can be caused by a change in the market value of financial instruments. The Group's and the Company's exposure to market risk is determined by a number of factors, including interest rates, foreign currency exchange rates and market volatility. The Group and the Company conduct their investment operations in a manner that seeks to exploit the potential gains in the market, while limiting its exposure to market declines.

## **IndusInd International Holdings Ltd and its subsidiary**

### **Notes to the consolidated and separate financial statements for the year ended 31 March 2016**

#### **15. Financial instruments and capital management**

##### **(d) Market risk (continued)**

###### *Interest rate risk*

The Group and the Company finances its operation through retained profits at market interest rates. This strategy allows it to capitalise on cheaper funding and to manage the risk on an ongoing basis.

###### *Currency risk*

The Group and the company invest in financial assets and financial liabilities denominated in Indian Rupee (INR). Consequently, the Group and the Company is exposed to the risk that the exchange rate of the USD relative to the INR may change in a manner which has a material effect on the reported values of the Group and the Company's financial assets and financial liabilities which are denominated in INR.

###### *Equity price risk*

The Group and the Company is exposed to equity price risk, which arises from available-for-sale equity securities held for investments measured at fair value. The management of the Group and Company monitors the proportion of equity securities in its investment portfolio based on market indices.

##### **(e) Capital management**

The Group and the Company primary objectives when managing capital are to safeguard the Group and Company's ability to continue as a going concern. As the Company is part of a larger group, the Group and the Company's sources of additional capital and policies for distribution of excess capital may also be affected by the Group's and the Company's capital management objectives.

The Company defines "capital" as including all components of equity. Trading balances that arise as a result of trading transactions with other group companies are not regarded by the Company as capital.

The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the group to which the Company belongs. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Company or the Group. The results of the directors' review of the Company's capital structure are used as a basis for the determination of the level of dividends, if any, that are declared.

## IndusInd International Holdings Ltd and its subsidiary

### Notes to the consolidated and separate financial statements for the year ended 31 March 2016

#### 15. Financial instruments and capital management (continued)

##### Fair Value

##### *The Group*

The fair values for financial assets and liabilities together with the carrying amounts shown in the consolidated and separate statement of financial position are as follows:

	Carrying amount 2016 USD	Fair value 2016 USD	Carrying amount 2015 USD	Fair value 2015 USD
Available-for-sale investments	1,305,284,001	1,305,284,001	1,249,915,258	1,249,915,258
Other receivables	210,266	210,266	6,750	6,750
Cash and cash equivalents	6,794,714	6,794,714	8,448,827	8,448,827
Bank overdraft	-	-	(210,658)	(210,658)
Bonds payable	(6,081,611)	(6,081,611)	(9,115,245)	(9,115,245)
Other payables	(6,134,881)	(6,134,881)	(3,611,986)	(3,611,986)

*Prepaid expenses amounting to USD 1,580 (2015: USD 1,580) have been excluded in financial assets.*

##### *The Company*

The fair values for both financial assets and liabilities together with the carrying amounts shown in the consolidated and separate statement of financial position are as follows:

	Carrying amount 2016 USD	Fair value 2016 USD	Carrying amount 2015 USD	Fair value 2015 USD
Available-for-sale investments	989,480,173	989,480,173	975,435,695	975,435,695
Other receivables	28,065,395	28,065,395	15,417	15,417
Cash and cash equivalents	6,794,489	6,794,489	8,411,947	8,411,947
Bank overdraft	-	-	(210,658)	(210,658)
Bonds payable	(6,081,611)	(6,081,611)	(9,115,245)	(9,115,245)
Other payables	(6,121,391)	(6,121,391)	(4,627,359)	(4,627,359)

*Prepaid expenses amounting to USD 862 (2015: USD 862) have been excluded in financial assets.*

## IndusInd International Holdings Ltd and its subsidiary

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2016

### 15. Financial instruments and capital management (continued)

#### Fair Value (continued)

*The Company (continued)*

#### Currency profile

The currency profile of the Group and the Company's financial assets and liabilities are summarised as follows:

#### *The Group*

	Financial assets 2016 USD	Financial liabilities 2016 USD	Financial assets 2015 USD	Financial liabilities 2015 USD
USD	7,004,980	12,216,492	8,455,577	12,937,889
INR	1,305,284,001	-	1,249,915,258	-
	<u>1,312,288,981</u>	<u>12,216,492</u>	<u>1,258,370,835</u>	<u>12,937,889</u>

	Financial assets 2016 USD	Financial liabilities 2016 USD	Financial assets 2015 USD	Financial liabilities 2015 USD
USD	34,859,884	12,203,002	8,427,364	13,953,262
INR	989,480,173	-	975,435,695	-
	<u>1,024,340,057</u>	<u>12,203,002</u>	<u>983,863,059</u>	<u>13,953,262</u>

#### *Credit risk*

The Group and the Company have policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. All receivables balance is monitored on an ongoing basis by management. Necessary provisions are made in the financials for credit losses for amounts past due for more than one year.

## IndusInd International Holdings Ltd and its subsidiary

### Notes to the consolidated and separate financial statements for the year ended 31 March 2016

#### 15. Financial instruments and capital management (continued)

##### Fair Value (continued)

*The Company (continued)*

##### Credit risk (continued)

##### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	The Group		The Company	
	2016 USD	2015 USD	2016 USD	2015 USD
Available-for-sale investments	11,298,328	125,253,070	11,298,328	125,253,070
Other receivables	210,266	6,750	28,065,395	15,417
Cash and cash equivalents	6,794,714	8,238,169	6,794,489	8,201,289
	<u>18,303,308</u>	<u>133,497,989</u>	<u>46,158,212</u>	<u>133,469,776</u>

##### Fair value estimation

The Group and the Company adopted the amendment to IFRS 7, effective on 01 January 2009. This requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The Company has classified its available-for-sale financial assets using a fair value hierarchy that reflects the significance of the inputs used in making the fair value measurements. The hierarchy has the following levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for the asset that are not based on observable market data (unobservable inputs).

The fair value hierarchy at 31 March 2016 is as disclosed below.

*The Group - 2016*

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Available-for-sale investments	<u>1,293,985,673</u>	<u>-</u>	<u>11,298,328</u>	<u>1,305,284,001</u>

## IndusInd International Holdings Ltd and its subsidiary

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2016

### 15. Financial instruments and capital management (continued)

#### Fair value estimation (continued)

##### *The Company - 2016*

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Available-for-sale investments	<u>978,181,845</u>	<u>-</u>	<u>11,298,328</u>	<u>989,480,173</u>

##### *The Group – 2015*

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Available-for-sale investments	<u>1,124,662,188</u>	<u>-</u>	<u>125,253,070</u>	<u>1,249,915,258</u>

##### *The Company - 2015*

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Available-for-sale investments	<u>850,182,625</u>	<u>-</u>	<u>125,253,070</u>	<u>975,435,695</u>

The changes in available-for-sale financial assets measured at fair value using significant level 3 inputs are shown in note 8.

#### *Level 3 Fair Value reconciliation*

	2016 USD	2015 USD
Balance at 1 April	125,253,070	135,893,650
Additions/ (Disposals)	(71,677,271)	-
Change in unrealised fair value movements	(42,277,471)	(10,640,580)
	<u>11,298,328</u>	<u>125,253,070</u>



## IndusInd International Holdings Ltd and its subsidiary

### Notes to the consolidated and separate financial statements for the year ended 31 March 2016

#### 15. Financial instruments and capital management (continued)

##### Fair value estimation (continued)

##### *Significant unobservable inputs used in measuring fair value*

The table below sets out information about significant unobservable inputs used at 31 March 2016 and 2015 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

Description	Valuation techniques	Unobservable inputs	Range of inputs	Sensitivity to changes in significant unobservable inputs
Unlisted private equity investments	Income approach / Discounted cash flows method	Projected cash flow discount rate	15% – 20%	Any change in cash projection and discounted rate may result in change in fair values.
		Terminal growth rate	3% - 8%	
	Market approach / Guideline comparable companies	Earnings Multiples	2x – 3x	Any change in multiples and comparable companies may result in change in fair values.
		Financial and operating performance of the investee companies	Not applicable	Any change in the financial and operating performance of the investee companies, may result in change in fair values.

Some of the investee companies have reported contingencies, legal and tax disputes in their underlying financial statements which are currently ongoing.

The effects of these contingencies, legal and tax disputes have not been taken into account when ascertaining the fair value of the relevant investee companies as the outcomes were uncertain at the date of these financial statements. The Board of Directors is of the opinion that the impact of the same is not expected to be significant.

The full details of the contingencies, legal and tax disputes have been disclosed in the financial statements of the investee companies.

## IndusInd International Holdings Ltd and its subsidiary

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2016

### 16. Sensitivity Analysis

#### (a) Equity price sensitivity analysis

*The Group and the Company*

The following shows the Group and the Company's sensitivity to an increase and decrease in the equity share price by 10%. 10% is the sensitivity rate used internally by key management personnel.

	Unquoted Investments	Unquoted Investments
Before sensitivity analysis	2016 USD	2015 USD
Fair value of unquoted investments	11,298,328	125,253,070
	-----	-----
After sensitivity analysis	2016 USD	2015 USD
<i>10% increase in equity share price</i>		
Fair value of unquoted investments	12,428,161	137,778,377
	-----	-----
Increase in unquoted investments.	1,129,833	12,525,307
	=====	=====
<i>10% decrease in equity share price</i>		
Fair value of unquoted investments	10,168,495	112,727,763
	-----	-----
Decrease in unquoted investments	(1,129,833)	(12,525,307)
	=====	=====

**IndusInd International Holdings Ltd and its subsidiary**

**Notes to the consolidated and separate financial statements**  
for the year ended 31 March 2016

**16. Sensitivity Analysis**

**(b) Equity price sensitivity analysis (continued)**

*The Group*

	Quoted Investments 2016 USD	Quoted Investments 2015 USD
<b>Before sensitivity analysis</b>		
Fair value of quoted investments	1,293,985,673	1,124,662,188
	-----	-----
<b>After sensitivity analysis</b>		
	2016 USD	2015 USD
<i>10% increase in equity share price</i>		
Fair value of quoted investments	1,423,384,240	1,237,128,407
	-----	-----
Increase in quoted investments.	129,398,567	112,466,219
	=====	=====
<i>10% decrease in equity share price</i>		
Fair value of quoted investments	1,164,587,106	1,012,195,969
	-----	-----
Decrease in quoted investments	(129,398,567)	(112,466,219)
	=====	=====

*The Company*

The following shows the Company's sensitivity to an increase and decrease in the equity share price by 10%. 10% is the sensitivity rate used internally by key management personnel.

	Quoted Investments 2016 USD	Quoted Investments 2015 USD
<b>Before sensitivity analysis</b>		
Fair value of quoted investments	978,181,845	850,182,625
	-----	-----
<b>After sensitivity analysis</b>		
	2016 USD	2015 USD
<i>10% increase in equity share price</i>		
Fair Value of quoted investments	1,076,000,030	935,200,888
	-----	-----
Increase in quoted investments.	97,818,185	85,018,263
	=====	=====
<i>10% decrease in equity share price</i>		
Fair Value of quoted investments	880,363,661	765,164,362
	-----	-----
Decrease in quoted investments.	(97,818,185)	(85,018,263)
	=====	=====

**IndusInd International Holdings Ltd and its subsidiary**

**Notes to the consolidated and separate financial statements  
for the year ended 31 March 2016**

**16. Sensitivity Analysis (continued)**

**(b) Liquidity risk**

<i>i) The Group</i>	Due on demand	Due for less than 1 year	Due between 1 and 5 years	Due for more than 5 years	Total	Due on demand	Due for less than 1 year	Due between 1 and 5 years	Due for more than 5 years	Total
	2016 USD	2016 USD	2016 USD	2016 USD	2016 USD	2015 USD	2015 USD	2015 USD	2015 USD	2015 USD
<b>Financial liabilities</b>										
Other payables	-	6,134,881	-	-	6,134,881	-	3,611,986	-	-	3,611,986
Bank overdraft	-	-	-	-	-	-	210,658	-	-	210,658
Bonus bonds	-	3,070,162	3,011,449	-	6,081,611	-	3,066,848	6,048,397	-	9,115,245
<b>Total financial liabilities</b>	-	9,205,043	3,011,449	-	12,216,492	-	6,889,492	6,048,397	-	12,937,889

**IndusInd International Holdings Ltd and its subsidiary**

Notes to the consolidated and separate financial statements  
for the year ended 31 March 2016

16.Sensitivity Analysis (continued)

(b) Liquidity risk (continued)

ii) <i>The Company</i>	Due on	Due	Due	Due	Due	Due	Due	Due	Total	Total
	demand	for less	between 1	for more	for less	between 1	for more			
	2015	than 1 year	and 5 years	than 5 years	than 1 year	and 5 years	than 5 years	than 1 year	2015	2015
	USD	2015	2015	2015	2015	2015	2015	2015	USD	USD
<b>Financial</b>										
<b>Liabilities</b>										
Other payables	-	6,121,391	-	-	4,627,359	-	-	-	4,627,359	4,627,359
Bank Overdraft	-	-	-	-	210,658	-	-	-	210,658	210,658
Bonus Bonds	-	3,070,162	3,011,449	-	3,066,848	6,048,397	-	-	6,048,397	9,115,245
<b>Total Financial</b>										
<b>Liabilities</b>	-	9,191,553	3,011,449	-	7,904,865	6,048,397	-	-	13,953,262	13,953,262

## IndusInd International Holdings Ltd and its subsidiary

### Notes to the consolidated and separate financial statements for the year ended 31 March 2016

#### 16. Sensitivity Analysis (continued)

##### (c) Foreign currency sensitivity analysis

The Group and the Company are mainly exposed to the Indian rupee (INR).

The following table details the Group's and the Company's sensitivity to a 10% increase and decrease in the USD against the relevant foreign currencies. 10 % is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10 % change in the foreign currency rates. A negative number below indicates a decrease in profit where the USD strengthens 10 % against the relevant currency. For a 10 % weakening of the USD against the relevant currency, there would be an equal and opposite impact on total equity, and the balances below would be positive. We also assume in the statement that all other variable remains constant.

Impact of a 10 % increase of the USD against the INR.

<i>The Group</i>	<b>2016</b>	<b>2015</b>
<b>Currency</b>	<b>USD</b>	<b>USD</b>
INR	<b>(130,528,400)</b>	<b>(124,991,526)</b>
	<u>                    </u>	<u>                    </u>
<i>The Company</i>	<b>2016</b>	<b>2015</b>
<b>Currency</b>	<b>USD</b>	<b>USD</b>
INR	<b>(98,948,017)</b>	<b>(97,543,570)</b>
	<u>                    </u>	<u>                    </u>

##### (d) Interest Rate Sensitivity Analysis

###### *The Group and the Company*

Variable rate of interest is the sensitivity rate used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates

If interest rates had been higher/lower by 50 basis points and all other variables were held constant, the profit and total equity for the Group and the Company the year ended 31 March 2016 would increase/decrease by **USD 33,974** respectively. (2015: increase/ decrease by **USD 42,244** respectively). This is mainly attributable to the Group's and the Company's exposure to interest rates on variable rate of interest.

**IndusInd International Holdings Ltd and its subsidiary**

**Notes to the consolidated and separate financial statements**  
*for the year ended 31 March 2016*

**16. Sensitivity Analysis (continued)**

*The Group*

	<b>2016</b>	<b>Impact on profit &amp; equity 2016</b>	<b>2015</b>	<b>Impact on profit &amp; equity 2015</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Interest received	<u><u>111,228</u></u>	<u><u>33,974</u></u>	<u><u>141,795</u></u>	<u><u>42,244</u></u>

*The Company*

	<b>2016</b>	<b>Impact on profit &amp; equity 2016</b>	<b>2015</b>	<b>Impact on profit &amp; equity 2014</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Interest received	<u><u>110,834</u></u>	<u><u>33,974</u></u>	<u><u>141,681</u></u>	<u><u>42,244</u></u>

**IndusInd International Holdings Ltd and its subsidiary**

**Notes to the consolidated and separate financial statements  
for the year ended 31 March 2016**

**17. Related party transactions**

During the year under review, the Group and the Company have entered into the following related party transaction:

*The Group*

*Transaction during the year*

<b>Name of related party</b>	<b>Relationship</b>	<b>Nature</b>	<b>2016 USD</b>	<b>2015 USD</b>
Shareholders	Shareholders	Dividend paid	<b>1,520,375</b>	2,480,553
Shareholders	Shareholders	Dividend payable written off to reserve	<b>72,952</b>	-
Shareholders	Shareholders	Prior years dividend payment	<b>466</b>	13,280
IndusInd Bank Ltd	Investee companies	Dividend paid	<b>5,739,739</b>	4,653,810
Kross Border Corporate Services Ltd	Administrator	Professional fees paid	<b>14,750</b>	15,800
HBS Trust Services (Mauritius) Ltd	Company secretary	Administrative fees paid	<b>51,210</b>	55,620
<i>Balances outstanding at 31 March:</i>				
Shareholders	Shareholders	Dividend payable	<b>36,641</b>	601,038



## IndusInd International Holdings Ltd and its subsidiary

### Notes to the consolidated and separate financial statements for the year ended 31 March 2016

#### 17. Related party transactions (continued)

##### *The Company*

##### *Transaction during the year*

Name of related party	Relationship	Nature	2016 USD	2015 USD
IndusInd Ltd	Subsidiary	Loan to subsidiary	(28,828,719)	(4,950)
IndusInd Ltd	Subsidiary	Loan repaid	121,876	8,500
		Amount net off against receivable	982,257	-
		Amount net off against dividend income	1,252,720	-
Shareholders	Shareholders	Dividend paid	(1,445,495)	(2,419,359)
Shareholders	Shareholders	Dividend payable written off to reserve	72,952	-
Shareholders	Shareholders	Prior years dividend payment	(466)	(13,280)
IndusInd Bank Ltd	Investee company	Dividend received	4,412,143	3,518,014
IndusInd Ltd	Subsidiary	Dividend received	1,252,720	1,023,806
Kross Border Corporate Services Ltd	Administrator	Professional fees paid	(11,600)	(14,500)
HBS Trust Services (Mauritius) Ltd	Company secretary	Administrative fees paid	(47,980)	(52,795)

##### *Balances outstanding at 31 March*

IndusInd Ltd	Subsidiary	Amount receivable	27,855,128	8,666
IndusInd Ltd	Subsidiary	Amount payable	-	2,348,353
Shareholders	Shareholders	Dividend payable	36,641	601,038

## **IndusInd International Holdings Ltd and its subsidiary**

### **Notes to the consolidated and separate financial statements** *for the year ended 31 March 2016*

#### **18. Key management personnel**

The Group and the Company do not have any employee and has not paid any compensation to key management personnel (2015: USD Nil).

#### **19. Events after reporting date**

There are no material events after the reporting date which would require disclosure or adjustment to the financial statements for the year ended 31 March 2016.

## IndusInd International Holdings Ltd and its subsidiary

### Consolidated and separate statement of profit or loss and other comprehensive income for the year ended 31 March 2016

	The Group		The Company	
	2016 USD	2015 USD	2016 USD	2015 USD
<b>Revenue</b>				
Dividends	5,439,739	4,653,810	5,364,863	4,541,820
Other income	7,361	120,767	6,761	120,767
	<u>5,447,100</u>	<u>4,774,577</u>	<u>5,371,624</u>	<u>4,662,587</u>
Gain on disposal	42,228,241	-	42,228,241	-
	<u>47,675,341</u>	<u>4,774,577</u>	<u>47,599,865</u>	<u>4,662,587</u>
<b>Administrative expenses</b>				
Professional and legal fees	282,530	437,455	280,228	435,404
Board meeting expenses	118,390	97,493	118,390	97,493
Administrative expenses	38,260	29,995	36,300	28,035
Audit and accounting fees	24,783	23,073	19,683	18,273
Sundries	3,671	2,450	2,971	1,750
Telephone, fax and courier charges	24,497	26,423	21,715	23,977
Licence fee	4,840	4,440	2,515	2,315
Donation	50,000	50,000	50,000	50,000
Other expenses	20,265	10,127	18,615	10,127
	<u>567,236</u>	<u>681,456</u>	<u>550,417</u>	<u>667,374</u>
Profit from operating activities	47,108,105	4,093,121	47,049,448	3,995,213
Finance income	111,228	142,698	110,834	142,584
Finance costs	(37,518)	(47,614)	(36,542)	(46,894)
<b>Net finance income</b>	<u>73,710</u>	<u>95,084</u>	<u>74,292</u>	<u>95,690</u>
<b>Operating profit</b>	<u>47,181,815</u>	<u>4,188,205</u>	<u>47,123,740</u>	<u>4,090,903</u>
Share of profit from associate	109,852	114,088	-	-
<b>Profit before taxation</b>	<u>47,291,667</u>	<u>4,302,293</u>	<u>47,123,740</u>	<u>4,090,903</u>

## FORM OF TRANCHE 2 PUT OPTION EXERCISE NOTICE

IndusInd International Holdings Limited  
 Level 3, Ebene House,  
 Hotel Avenue, 33 Cybercity,  
 Ebene, 72201, Mauritius

Dear Sirs,

Re.: Folio Number [•%], Share Certificate Number [•%]

I/We are presently the sole and absolute owner(s) of [•%] Tranche 2 New Ordinary Equity Shares of IndusInd International Holdings Limited which were acquired by us pursuant to the offer made under the Offer Document dated [•%]. The details of the above referred Tranche 2 New Ordinary Equity Shares held by us is appearing hereunder:

Name of the Tranche 2 New Ordinary Equity Shareholder	:	[•%]
Total number of Tranche 2 New Ordinary Equity Shares held	:	[•%]
Share Certificate Number and date	:	[•%] [•%]
Address of the Tranche 2 New Ordinary Equity Shareholder	:	[•%]
Bank account details of the Tranche 2 New Ordinary Equity Shareholders	:	[•%]

I/we enclose a copy of the above mentioned Share Certificate dated [•%] showing my/our names as the owner(s) of the Tranche 2 New Ordinary Equity Share held by me/us.

I/we hereby certify and confirm that there is no Encumbrance or any kind of interest created or proposed to be created by me/us in the Tranche 2 New Ordinary Equity Shares held by me/us.

Pursuant to the Tranche 2 Put Option under the offer document dated August 20, 2018 (the “**Offer Document**”) under the Issue of Tranche 2 New Ordinary Equity Shares by IndusInd International Holdings Limited, I/we hereby give notice under and pursuant to the Offer Document that out of [•%] Tranche 2 New Ordinary Equity Shares held by us we exercise the Tranche 2 Put Option available to us in respect of [•%] Tranche 2 New Ordinary Equity Shares held by us.

Words defined in the Offer Document shall have the same meaning in this notice.

Yours faithfully,  
 [Name]

**[Designation]**

**ISSUER**

**IndusInd International Holdings Limited**

Level 3, Ebene House,  
Hotel Avenue, 33 Cybercity,  
Ebene, 72201, Mauritius

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