

February 3, 2015

Dear Debentureholder :

Pursuant to the provisions of the Listing Agreement executed between BSE Limited (BSE) (formerly Bombay Stock Exchange Limited) and the Company for listing of its Non-Convertible Debenture (NCDs) issued by the Company on BSE, we are providing herewith :

- (1) The Financial results of the Company for the year ended September 30, 2014 are enclosed as Annexure I
- (2) Credit Rating : The Company had been granted/ re-affirmed the following Credit Ratings during the period, April 1, 2014 to September 30, 2014 :
 - (a) Credit Analysis & Research Limited has assigned – 'CARE A1+' (A One Plus) for the short term borrowings of the Company
 - (b) Credit Analysis & Research Limited has assigned – 'CARE AAA' (Triple A) for the long term borrowings of the Company
 - (c) ICRA Limited has assigned – "[ICRA] A1+" for the short term borrowings of the Company
 - (d) ICRA Limited has assigned – "[ICRA] AAA" for the long term borrowings of the Company
 - (e) India Ratings & Research Private Limited (formerly Fitch Ratings India Private Limited) has assigned – 'IND A1+' for the short term borrowings of the Company
 - (f) India Ratings & Research Private Limited (formerly Fitch Ratings India Private Limited) has assigned – 'IND AAA' for the long term borrowings of the Company
- (3) The Debt to Equity Ratio for the period ended September 30, 2014 is 1.83 (after considering the preference share capital for computation of Debt to Equity Ratio)
- (4) The Asset Cover available for the period ended September 30, 2014 is 1.67 as per the Asset Cover as certified by M/s Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai and Statutory Auditors of the Company

- (5) We are enclosing a statement indicating the details of outstanding NCDs listed on BSE and coupon payments due and payable for each of Series of NCDs as Annexure II. The Company has made all coupon payments and redemption payments on due dates

- (6) The list of top ten holders of Equity Shares, Debentures and Non-Convertible Redeemable Cumulative Preference Shares of the Company as on September 30, 2014 is attached as Annexure III

Sincerely,

For Infrastructure Leasing &
Financial Services Ltd



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Authorised Signatory

For Centbank Financial Services Ltd



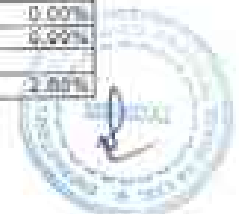
Authorised Signatory

Unaudited Financial Results for the half year ended September 30, 2014

(Rs in Lakhs)

| Particulars | Half year ended | | Figures for current period ended 30-Sep-14 | Year ended 31-Mar-14 |
|---|-----------------|-----------|--|----------------------|
| | 30-Sep-14 | 30-Sep-13 | | |
| | (Unaudited) | (Audited) | (Unaudited) | (Audited) |
| 1. Interest / Income earned (a)+(b)+(c)+(d) | 49,902 | 61,102 | 49,902 | 101,010 |
| (a) Interest on advances | 17,357 | 17,610 | 17,357 | 38,002 |
| (b) Income on investments (Refer Note IV) | 32,545 | 43,492 | 32,545 | 63,008 |
| (c) Interest on balances with Reserve Bank of India and other inter bank funds | - | - | - | - |
| (d) Others | - | - | - | - |
| 2. Other Income | 28,077 | 26,690 | 28,077 | 52,297 |
| 3. Total Income (1 + 2) | 77,979 | 87,792 | 77,979 | 153,307 |
| 4. Interest & Finance Charges | 37,738 | 35,571 | 37,738 | 74,291 |
| 5. Operating Expenses (I)+(II) | 7,273 | 11,197 | 7,273 | 19,518 |
| (I) Employees Cost | 3,314 | 6,301 | 3,314 | 9,607 |
| (ii) Other operating expenses (All items exceeding 10% of the total expenditure excluding interest expenditure may be shown separately) | 3,959 | 4,896 | 3,959 | 9,911 |
| (a) Depreciation / Amortisation (Refer Note V) | (232) | 615 | (232) | 1,330 |
| (b) Rent | 831 | 871 | 831 | 1,632 |
| (c) Repair & Maintenance | 888 | 870 | 888 | 1,709 |
| (d) Other expenses | 2,372 | 2,590 | 2,372 | 5,150 |
| 6. Total Expenditure (4+5) excluding provisions and contingencies | 45,011 | 46,768 | 45,011 | 93,809 |
| 7. Operating Profit before Provisions and Contingencies (3-6) | 32,968 | 41,034 | 32,968 | 59,498 |
| 8. Provisions (other than tax) and Contingencies (Refer Note VI) | 2,682 | 4,001 | 2,682 | 14,339 |
| 9. Exceptional Items | - | - | - | - |
| 10. Profit (+) / Loss (-) from Ordinary Activities before tax (7-8-9) | 30,286 | 37,033 | 30,286 | 45,159 |
| 11. Tax Expenses (Refer Note VII) | 2,360 | 10,640 | 2,360 | 13,180 |
| 12. Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11) | 27,926 | 26,393 | 27,926 | 31,979 |
| 13. Extraordinary Items (net of tax expenses) | - | - | - | - |
| 14. Net Profit (+) / Loss (-) for the period (12-13) | 27,926 | 26,393 | 27,926 | 31,979 |
| 15. Paid-up equity share capital (Face value of Rs.10 each) | 11,806 | 11,683 | 11,806 | 11,806 |
| 16. Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year) | - | - | - | 338,227 |
| 17. Analytical Ratios | | | | |
| (i) Capital Ratio (Refer Note VIII) (* * Unaudited) | * * 33.67 | * * 37.34 | * * 33.67 | 35.65 |
| (ii) Earnings Per Share (EPS) | | | | |
| - Basic EPS | * 19.77 | * 22.58 | * 19.77 | 27.06 |
| - Diluted EPS | * 19.77 | * 22.30 | * 19.77 | 27.06 |
| 18. NPA Ratios | | | | |
| (a) (i) Gross NPA | - | - | - | - |
| (ii) Net NPA | - | - | - | - |
| (b) (i) % of Gross NPA | 0.00% | 0.00% | 0.00% | 0.00% |
| (ii) % of Net NPA | 0.00% | 0.00% | 0.00% | 0.00% |
| 19. Return on Average Assets (Refer Note X) | * 2.14% | * 2.38% | * 2.14% | 2.00% |

* Not Annualised



Notes to Unaudited Financial Results for the Half Year ended Sept 30, 2014 :

- (I) The above financial results of the Company for the half year ended September 30, 2014 has been approved by the Committee of Directors, a Sub Committee of the Board of Directors on November 14, 2014. The Statutory Auditors have carried out a limited review of the Unaudited Financial result for the half year ended September 30, 2014
- (II) During the period ended September 30, 2014 the Company has issued 184,624 Non-Convertible Redeemable Cumulative Preference Shares (NCRCPs) of face value Rs 7,500/- each at a premium of Rs 5,000/- per NCRCPs
- (III) At the Annual General Meeting held on September 22, 2014 the Shareholders have approved Right issue of Equity Shares. Accordingly, the Company has offered 13,117,721 equity shares on rights basis in the ratio of 1 : 9 i.e., 1 equity Share for every 9 equity Shares held. The record date for this purpose was October 17, 2014. The offer is open for subscription from October 27 to November 17, 2014, to all eligible equity shareholders of the Company
- (IV) Income on Investments includes interest on investments, dividend income and profit on sale of investments
- (V) Pursuant to the enactment of the Companies Act 2013 (the Act), the Company has, effective April 1, 2014 modified the useful lives of certain tangible assets in line with Schedule II of the Act. The Company has further decided to change the method of depreciation to Straight Line Method (SLM) in place of Written Down Value Method (WDV). As a result of the change in method of charging depreciation from WDV to SLM and change in useful life of certain category of assets
 - (a) the charge on account of Depreciation for the half year ended September 30, 2014, is lower by Rs 88.42 mn and profit before tax is higher by Rs 88.42 mn than the amount that would correspond to the method of depreciation previously used and useful lives previously assessed



- (b) An amount of Rs 65.32 mn representing the carrying amount of assets with revised useful life as nil, has been charged to Surplus in the Statement of Profit & Loss as at April 1, 2014

- (VI) Provisions (other than tax) and Contingencies include the following :

(Rs in Lakhs)

| Particulars | Half Year ended | | FY 2014 (Audited) |
|---|-----------------------|---------------------|----------------------|
| | Sep'14 (Unaudited) | Sep'13 (Audited) | |
| Provision for General Contingencies | 2,500 | 4,000 | 14,000 |
| Contingency Provision against Standard Assets | 171 | - | 327 |
| Other amounts written off | 11 | 1 | 12 |
| Total | 2,682 | 4,001 | 14,339 |

- (VII) Tax expense includes Provisions for Current Tax and Deferred Tax
- (VIII) Capital Adequacy ratio is not applicable since the Company is registered as a Systemically Important Core Investment Company (CIC-ND-SI) with the Reserve Bank of India (RBI) w.e.f. September 11, 2012. As per the Core Investment Companies (Reserve Bank) Directions, 2011, the Company is required to maintain Capital Ratio of atleast 30% apart from satisfying other conditions. The said ratios for the half year ended September 30, 2014 and September 30, 2013 are not verified by the Statutory Auditors
- (IX) The Company is in the business of providing financial services relating to the commercialisation of infrastructure including loans and investments in Group Companies. As such, all activities undertaken by the Company are incidental to the main business. There are no separate reportable business segments as per Accounting Standard 17 (AS-17) on "Segment Reporting"



- (X) Average of the opening and closing total assets for the period is considered as average assets for computation of return on Average Assets.
- (XI) Figures for the previous year / period have been regrouped and re-classified wherever necessary



INFRASTRUCTURE LEASING & FINANCIAL SERVICES LIMITED
LISTED SECURITIES DETAILS AS ON SEPTEMBER 30, 2014

| Sr No | Series | Allotment Date | Maturity Date | Rate (%) | Coupon Date | Prev. Coupon | Next Coupon | Qls NCDs |
|-------|-----------|-------------------------------------|-------------------------------------|-------------------------|-------------|--------------|-------------|---------------------------------|
| 1 | 2009-XVI | 05-Mar-10 | 05-Mar-20 | 9.20 | 05-Mar | 05-Mar-14 | 05-Mar-15 | 3,000,000 |
| 2 | 2010-V | 20-May-10 | 20-May-25 | 8.98 | 20-May | 20-May-14 | 20-May-15 | 3,500,000 |
| 3 | 2010-VI | 17-Aug-10 | 17-Aug-35 | 9.35 | 17-Aug | 17-Aug-14 | 17-Aug-15 | 1,500,000 |
| 4 | 2010-VII | 24-Dec-10 | 24-Dec-20 | 9.20 | 24-Dec | 24-Dec-13 | 24-Dec-14 | 250,000 |
| 5 | 2010-VIII | 14-Feb-11 | 14-Feb-15 | 9.95 | 14-Feb | 14-Feb-14 | 14-Feb-15 | 1,500,000 |
| 6 | 2010-IX | 22-Feb-11 | 22-Feb-21 | 9.70 | 22-Feb | 22-Feb-14 | 22-Feb-15 | 3,250,000 |
| 7 | 2010-X | 25-Feb-11 | 25-Feb-15 | 9.95 | 25-Feb | 25-Feb-14 | 25-Feb-15 | 250,000 |
| 8 | 2010XI | 01-Mar-11 | 01-Mar-15 | 9.95 | 01-Mar | 01-Mar-14 | 01-Mar-15 | 250,000 |
| 9 | 2011-I | 25-Jul-11 | 25-Jul-21 | 9.68 | 25-Jul | 25-Jul-14 | 25-Jul-15 | 1,500,000 |
| 10 | 2011-II | 11-Aug-11 | 11-Aug-18 | 9.75 | 11-Aug | 11-Aug-14 | 11-Aug-15 | 1,500,000 |
| 11 | 2011-III | 16-Sep-11 | 16-Sep-17 | 9.80 | 16-Sep | 16-Sep-14 | 16-Sep-15 | 750,000 |
| 12 | 2011-IV | 16-Sep-11 | 16-Sep-19 | 9.78 | 16-Sep | 16-Sep-14 | 16-Sep-15 | 750,000 |
| 13 | 2011-V | 10-Oct-11 | 10-Oct-14 | 10.00 | 10-Oct | 10-Oct-13 | 10-Oct-14 | 53,800 |
| 14 | 2011-V | 10-Oct-11 | 10-Oct-16 | 10.00 | 10-Oct | 10-Oct-13 | 10-Oct-14 | 441,000 |
| 15 | 2011-VI | 28-Sep-11 | 28-Sep-16 | 9.97 | 28-Sep | 28-Sep-14 | 28-Sep-15 | 3,000,000 |
| 16 | 2011-VII | 05-Dec-11 | 05-Dec-18 | 9.98 | 05-Dec | 05-Dec-13 | 05-Dec-14 | 750,000 |
| 17 | 2011-VII | 05-Dec-11 | 05-Dec-21 | 9.98 | 05-Dec | 05-Dec-13 | 05-Dec-14 | 2,250,000 |
| 18 | 2011-VIII | 24-Jan-12 | 24-Jan-22 | 9.82 | 24-Jan | 24-Jan-13 | 24-Jan-14 | 2,900,000 |
| 19 | 2011-IX | 12-Mar-12 | 12-Mar-22 | 9.85 | 12-Mar | 12-Mar-13 | 12-Mar-14 | 2,100,000 |
| 20 | 2012-I | 30-May-12 | 30-May-22 | 9.80 | 30-May | 30-May-13 | 30-May-14 | 3,900,000 |
| 21 | 2012-II | 19-Dec-12 | 19-Dec-22 | 9.40 | 19-Dec | 19-Dec-13 | 19-Dec-14 | 1,000,000 |
| 22 | 2012-III | 21-Jan-13 | 21-Jan-20 | 9.10 | 21-Jan | 21-Jan-14 | 21-Jan-15 | 465,000 |
| 23 | 2012-IV | 24-Jan-13 | 24-Jan-38 | 9.30 | 24-Jan | 24-Jan-14 | 24-Jan-15 | 500,000 |
| 24 | 2013-I-A | 23-Aug-13 | 02-Apr-15 | 11.50 | 23-Aug | 23-Aug-14 | 23-Aug-15 | 200,000 |
| 25 | 2013-I-B | 23-Aug-13 | 23-Aug-15 | 11.25 | 23-Aug | 23-Aug-14 | 23-Aug-15 | 1,000,000 |
| 26 | 2013-I-C | 23-Aug-13 | 23-Aug-18 | 11.00 | 23-Aug | 23-Aug-14 | 23-Aug-15 | 2,000,000 |
| 27 | 2013-I-D | 26-Aug-13 | 26-Aug-15 26-Aug-16 26-Aug-18 | 10.90 10.70 10.50 | 26-Aug | 26-Aug-14 | 26-Aug-15 | 1,600,000 |
| 28 | 2013-II-A | 04-Feb-14 04-Feb-14 04-Feb-14 | 04-Feb-19 04-Feb-21 04-Feb-24 | 9.95 9.95 9.90 | 04-Feb | NA | 04-Feb-15 | 770,000 1,060,000 170,000 |
| 29 | 2013-II-B | 13-Feb-14 13-Feb-14 | 13-Feb-21 13-Feb-24 | 9.90 9.90 | 13-Feb | NA | 13-Feb-15 | 210,000 790,000 |
| 30 | 2013-II-C | 28-Jul-14 | 28-Jul-24 | 9.50 | 28-Jul | NA | 28-Jul-15 | 3,000,000 |
| 31 | 2013-II-D | 13-Aug-14 | 13-Aug-24 | 9.55 | 13-Aug | NA | 13-Aug-15 | 2,000,000 |

* The NCDs are of Face Value of Rs 1000 each

* All coupon payments have been paid to the Debenture holders on the respective due dates



INFRASTRUCTURE LEASING & FINANCIAL SERVICES LIMITED
LIST OF TOP 10 HOLDERS OF EQUITY SHARES AND DEBENTURES AS ON SEPTEMBER 30, 2014
(1) List of Top 10 holders of Debentures :

| Name of Debenture Holders | Amount (₹ Million) |
|---|-------------------------------|
| Life Insurance Corporation of India | 5,400.00 |
| General Insurance Corporation of India | 2,700.00 |
| Postal Life Insurance Fund a/c SBI FMPL | 2,450.00 |
| Postal Life Insurance Fund a/c UTI AMC | 2,420.00 |
| SBI Employees Provident Fund | 2,200.00 |
| The Oriental Insurance Company Limited | 2,120.00 |
| CBI EPF-05-B-Dm | 2,004.05 |
| State Bank Of India Employees' Pension Fund | 2,000.00 |
| CBI EPF -11-B-Dm | 1,853.00 |
| Army Group Insurance Fund | 1,850.00 |

(2) List of Top 10 holders holding fully paid up Equity Shares :

| Name of Shareholder | No of Shares | % |
|--|---------------------|----------|
| Life Insurance Corporation of India | 29,921,511 | 25.34 |
| ORIX Corporation, Japan | 27,204,758 | 23.04 |
| IL&FS Employees' Welfare Trust | 15,397,938 | 13.05 |
| Abu Dhabi Investment Authority | 13,094,327 | 11.09 |
| Housing Development Finance Corporation Limited | 11,587,194 | 9.81 |
| Central Bank of India | 9,843,386 | 8.34 |
| State Bank of India | 8,237,967 | 6.98 |
| UTI-Unit linked Insurance Plan – UTI Asset Management Co Pvt. Ltd. | 946,000 | 0.80 |
| India Discovery Fund | 803,390 | 0.68 |
| Bay Capital Investment Managers Private Limited – A/c PMS Client Account | 314,791 | 0.27 |



- (3) List of Top 10 holders of Non-Convertible Redeemable Cumulative Preference Shares (NCRCPS) :

| Name of NCRCPS Holders | Amount (₹ Million) |
|-------------------------------------|-----------------------|
| L&T Infrastructure Finance Co Ltd. | 1,200.00 |
| Azim Hasham Premji | 600.00 |
| Shree Cement Ltd. | 600.00 |
| HDFC Asset Management Co Ltd. | 240.00 |
| International Tractors Ltd | 150.00 |
| Wipro Enterprises Ltd. | 150.00 |
| HDFC Ergo General Insurance Co Ltd. | 117.00 |
| Hindustan Composites Ltd. | 90.00 |
| Adventz Investments & Holdings Ltd | 60.00 |
| Polaris Financial Technologies Ltd | 60.00 |



Deloitte Haskins & Sells LLP

Chartered Accountants
Deloitte Haskins & Sells
Level 3, 275 - 32nd Floor
Sahakar Bopal Marg
Cybernetic Road (West)
Mumbai - 400 013
Maharashtra, India

Tel: +91 (0)22 6185 4000
Fax: +91 (0)22 6185 4101/0661

REF: KJM/2014-2015/7514

AUDITORS' CERTIFICATE

Introduction

We have verified the attached "Statement of Computation of Asset Coverage as at September 30, 2014" (the "Statement") derived from the unaudited financial information and other records of Infrastructure Leasing & Financial Services Limited (the "Company") for the half year ended September 30, 2014.

Management's Responsibility for the Statement

The Company's Management is responsible for preparation of the Statement in accordance with the Amendatory Master Loan Agreement dated November 30, 1993 entered into between the Company and the Senior Lenders, the Debenture Trust Deed dated October 31, 2013 entered into between the Company and Centbank Financial Services Limited (acting as trustee of debenture holders) and the Twenty- Second Contributory Legal Mortgage ("the Agreement") dated October 31, 2013 entered into between the Company and Central Bank of India (acting as trustee). This includes collecting, collating and validating data and designing, implementing and maintaining of internal controls relevant to the preparation of the Statement that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express our conclusion on the information contained in the Statement based on our limited assurance procedures. Our procedures have been planned to obtain all information and explanations that we considered necessary to support our conclusion. Our work was planned to mirror the Company's own compilation process, reviewing how the items in the Statement within our assurance scope were collected, collated and validated by the Company for inclusion in the Statement based on the Guidance Note on Audit Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India ("ICAI").

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.



**Deloitte
Haskins & Sells LLP**

Criteria

We refer to the Agreement mentioned aforesaid, wherein it was agreed that the Company shall maintain at all times and from time to time an asset coverage as defined in the aforesaid Agreement of at least 1.33 times the total outstanding Secured Borrowings including accrued interest thereon of the Company, excluding the "excluded assets" referred to in the aforesaid Agreement.

The criteria, against which the information contained in the Statement is evaluated, are the unaudited financial information and other related records of the Company for the half year ended September 30, 2014.

Conclusion

Based on the limited assurance work that we performed as aforesaid and according to the information and explanations given to us, nothing has come to our attention which causes us to believe that the information presented in the Statement contains any material misstatement. The asset coverage ratio as at September 30, 2014, in accordance with Criteria mentioned above, as determined in the attached Statement, read together with and subject to the notes thereon, is 1.67 times the total outstanding Secured Borrowings including accrued interest thereon of the Company.

Restriction on Distribution

The above certificate is issued at the request of the Company for submission to the Senior Lenders and the Debenture Trustee and shall not be used for any other purpose without our prior written consent.

H. Kulkarni

MUMBAI, October 31, 2014
KJM/NDU



Statement of Computation of Asset Cover as at September 30, 2014

| | | (₹ mn) |
|--|---------------|-------------------|
| ASSETS AVAILABLE FOR ASSET COVER | Amount | Amount |
| Fixed Assets - at WDV | | 153.32 |
| Investments (Current and Non-Current) | | 74,533.10 |
| Loans & Advances (Current and Non Current) | | |
| Advance towards Investments (pending allotment) | 1,469.43 | |
| Loans & Advances | 71,012.55 | 25,481.98 |
| Current and Non Current Assets | | 17,868.31 |
| | | 118,036.74 |
| SECURED BORROWING TAKEN / ISSUED BY THE COMPANY | | |
| Loans from Banks / Financial Institutions/ Multilateral Institutions | | |
| Jammu & Kashmir Bank Ltd | 3,000.00 | |
| State Bank of Travancore | 2,000.00 | |
| Bank of India | 2,000.00 | |
| Asian Development Bank (ADB) | 1,738.34 | |
| Bank of Baroda | 1,500.00 | |
| State Bank of Bikaner & Jaipur | 1,000.00 | |
| Punjab & Sind Bank | 750.00 | |
| Floating Rate Notes Guaranteed by USAID | 562.50 | |
| Karnataka Bank Ltd | 500.00 | |
| International Bank for Reconstruction and Development (IBRD) | 213.64 | 13,264.48 |
| Cash Credit | | 7.24 |
| Secured Debentures | | 55,171.10 |
| Interest Accrued but not due on Secured Borrowings | | 2,118.83 |
| | | 70,754.73 |
| Asset Coverage Ratio | | 1.67 |

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Notes:

- 1 Provision for General Contingency amounting ₹ 5,000 mn has been created with the objective to cover adverse events that may affect the quality of the Company's Assets and has therefore not been deducted from the value of the Assets.
- 2 The Company has created Contingent Provision against standard assets and restructured standard assets aggregating ₹ 104.09 mn as per Reserve Bank of India Circular DNBS.PD.CC.No.207/03.02.002/2010 11 issued on January 17, 2011 and Circular DNBS.PD.No.272/DGM(MSM)-2014 issued on January 23, 2014 respectively. Since it is a contingent provision, it has not been deducted from the value of the assets.
- 3 Investments includes current maturity of long term investments
- 4 Secured Borrowing includes current maturity of long term borrowings
- 5 "Excluded Assets", that are not considered for the purpose of calculating the asset cover ratio, includes residential and commercial immovable property owned/tenanted by the Company, including the movable assets within the property, trading stocks, gfr securities if any and specific equity investments in affiliates / subsidiaries as listed in Twenty Second Contributory Legal Mortgage ("the Agreement") dated October 31, 2013. Further vide confirmation letter no. CB/DYS/2014-15/1231 dated October 11, 2014 received from the Central Bank of India (Debtors Trustee) the equity investment in IL&FS Engineering & Construction Company Ltd has been considered as "Excluded Asset". Additionally, the Company has excluded the following assets since charge on these assets cannot be created.
 - a) Capital Work In Progress including Capital Advances
 - b) Advance Tax (net) including Tax Deducted at Source
 - c) Net Credit Entitlement
 - d) Prepaid Expenses
 - e) Deferred Expenditure - Stamps & Registration Charges
 - f) Unamortized Business Centre Rent Expense
 - g) Unamortized Bank Commission
 - h) Intangible assets

For Infrastructure Leasing & Financial Services Ltd

Date: October 31, 2014

Place: Mumbai



Authorized Signatory

Deloitte Haskins & Sells LLP

Chartered Accountants
Indraprastha Finance Centre
Tower 3, 27th - 32nd Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai - 400 013
Maharashtra, India

Tel: +91 (022) 6185 4000
Fax: +91 (022) 6185 4501/4601

AUDITORS' CERTIFICATE

Introduction

We refer to the Listing Agreement for Debt Securities dated July 24, 2009 (the "Debt Listing Agreement") entered into between **INFRASTRUCTURE LEASING & FINANCIAL SERVICES LIMITED** (the "Company") and the BSE Limited ("Bombay Stock Exchange") for the listing of the Secured Non-Convertible Debentures ("NCDs") issued by the Company. Pursuant to Clause 27 of the Debt Listing Agreement, the Company is required to submit a half-yearly computation of Debt: Equity ratio to the Bombay Stock Exchange.

Accordingly, the Management of the Company has compiled the attached "Statement of Debt: Equity Ratio as at September 30, 2014" (referred to as the "Statement") containing the debt: equity ratio, from the audited financial statements and other related records of the Company for the half year ended September 30, 2014. The Statement has been initialed by us for identification purposes.

Management's Responsibility for the Statement

The Company's Management is responsible for preparation of the Statement in accordance with the Debt Listing Agreement and defining the terms Debt and Equity and identifying the formulas for computing the Debt: Equity Ratio as given in the Statement. This includes collecting, collating and validating data and designing, implementing and maintaining of internal controls relevant to the preparation of the Statement that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express our conclusion on the information contained in the Statement based on the audited financial statements and other related records of the Company for the half year ended September 30, 2014. Our procedures have been planned to obtain all information and explanations that we considered necessary to support our conclusion. Our work was planned to mirror Company's own compilation process, verifying how the items in the Statement within our assurance scope were collected, collated and validated by the Company for inclusion in the Statement based on the Guidance Note on Audit Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India ("ICAI"). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.



- **Deloitte**
- **Haskins & Sells LLP**

Criteria

Since there is no definition / formula for computing Debt : Equity ratio given in the Debt Listing Agreement entered into with the Bombay Stock Exchange, the information contained in the attached Statement is based on the criteria as determined and explained by the Company's Management in the Notes to the attached Statement. The Statement has been compiled from the audited financial statements for the half year ended September 30, 2014 and other related records of the Company produced before us by the Company's Management read with the notes in the attached Statement.

Conclusion

Based on the work that we performed as aforesaid and to the best of our knowledge and according to the information and explanations as well as representations made to us and read together with and subject to the Notes in the attached Statement, we certify that as at September 30, 2014 the computation of the Company's Debt: Equity Ratio as given in the attached Statement is arithmetically correct and the amounts used are in agreement with audited financial statements and other records of the Company produced before us by the Company's Management.

Restriction on Distribution

This certificate is issued at the request of the Company in response to the request of Debenture Trustee of the Company, for submission of the half yearly communication to the Bombay Stock Exchange in terms of Clause 27 of the debt listing agreement and shall not be used for any other purpose without our prior written consent.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Registration No. 0000012019



Kapesh J. Mehta
Partner

ICAI Membership No. 048791

MUMBAI, January 09, 2015
KJM/NDJ

Infrastructure Leasing & Financial Services Limited

Statement of Debt - Equity Ratio as at September 30, 2014

| | | ₹ in million | |
|--------------------------------------|------------------|---|--|
| Particulars | | Debt:Equity with Preference Share Capital | Debt:Equity without Preference Share Capital |
| Paid up Equity Share Capital | | 1,180.59 | 1,180.59 |
| Paid up Preference Share Capital | | 6,050.00 | - |
| Reserves & Surplus | | 16,411.26 | 30,411.26 |
| Total | (A) | 43,641.85 | 37,591.85 |
| Long term Debt | | 70,747.42 | 70,747.42 |
| Current maturities of Long-term Debt | | 2,427.10 | 2,427.10 |
| Short-term Debt | | 6,812.47 | 6,812.47 |
| Total | (B) | 79,986.99 | 79,986.99 |
| Debt:Equity Ratio | (B) / (A) | 1.83 | 2.13 |

Notes:

Since there is no definition / formula for computing Debt - Equity ratio given in the Listing Agreement entered into with the Stock Exchange, the Management has prepared the Debt - Equity ratio including and excluding Preference capital above

| | | |
|-----------------------|--|---|
| Debt - Equity Ratio : | Long Term Debt - Current Maturities of Long Term Debt - Short Term Debt | Long Term Debt - Current Maturities of Long Term Debt + Short Term Debt |
| | Paid up Equity Capital + Preference Share Capital + Reserves & Surplus (excluding retention reserve) - Miscellaneous Expenditure not written off | Paid up Equity Capital + Reserves & Surplus (including retention reserve) - Miscellaneous Expenditure not written off |

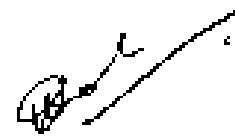
Certified that the above is true and correct

For Infrastructure Leasing & Financial Services Limited



Place : Mumbai

Dated : January 9, 2015

Authorised Signatory



Celebrating Two Decades of Analytical Excellence

Mr. Arun K. Saha
Jt. Managing Director
Infrastructure Leasing & Financial Services Ltd.
The IL&FS Financial Centre, Plot C-22, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051

May 7, 2014

Confidential

Dear Sir,

Credit Rating for the Short Term Borrowing Programme of Rs.475 crore

Please refer to your request for revalidation of the rating assigned to the Short Term Borrowing Programme of Infrastructure Leasing & Financial Services Ltd. (IL&FS) for limit of Rs.475 crore, with a maturity not exceeding one year.

2. It has been decided to reaffirm the rating of 'CARE A1+' [A One Plus] to the Short Term Borrowing Programme of the company, aggregating to Rs.475 crore, for a maturity not exceeding one year.
3. Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk. Our rating symbols for various ratings for short term instruments and explanatory notes thereon are annexed.
4. Please arrange to get the rating revalidated, in case the issue is not made within two months from the date of this letter.
5. Please inform us the details of issue (date of issue, name of investor, amount issued, interest rate, date of maturity, etc.) as soon as it has been placed.
6. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

CREDIT ANALYSIS & RESEARCH LTD



Celebrating Two Decades of Analytical Excellence


7. CARE reserves the right to suspend / withdraw / revise the rating assigned on the basis of new information or in the event of failure on the part of the company to furnish such information, material and clarifications as may be required by CARE. CARE shall also be entitled to publicize / disseminate such suspension / withdrawal / revision in the assigned rating in any manner considered appropriate by it, without any reference to you.
8. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
9. CARE ratings are not recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,


[Pankaj Nalik]
Manager


[Aditya Acharekar]
Sr. Manager

Encl : As above

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

CREDIT ANALYSIS & RESEARCH LTD.

Mr. Arun K. Saha
Jt. Managing Director
Infrastructure Leasing & Financial Services Ltd.
The IL&FS Financial Centre, Plot C-22, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051

June 5, 2014

Confidential

Dear Sir,

Credit Rating for the Short Term Borrowing Programme of Rs.475 crore

Please refer to your request for revalidation of the rating assigned to the Short Term Borrowing Programme of Infrastructure Leasing & Financial Services Ltd. (IL&FS) for limit of Rs.475 crore, with a maturity not exceeding one year.

2. It has been decided to reaffirm the rating of 'CARE A1+' [A One Plus] to the Short Term Borrowing Programme of the company, aggregating to Rs.475 crore, for a maturity not exceeding one year.
3. Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such Instruments carry lowest credit risk. Our rating symbols for various ratings for short term Instruments and explanatory notes thereon are annexed.
4. Please arrange to get the rating revalidated, in case the issue is not made within two months from the date of this letter.
5. Please inform us the details of issue [date of issue, name of investor, amount issued, interest rate, date of maturity, etc.] as soon as it has been placed.
6. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.


CREDIT ANALYSIS & RESEARCH LTD

7. CARE reserves the right to suspend / withdraw / revise the rating assigned on the basis of new information or in the event of failure on the part of the company to furnish such information, material and clarifications as may be required by CARE. CARE shall also be entitled to publicize / disseminate such suspension / withdrawal / revision in the assigned rating in any manner considered appropriate by it, without any reference to you.
8. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
9. CARE ratings are not recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,


(Geeta Chaudhary)
Manager


(Aditya Acharekar)
Sr. Manager

Encl: As above

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disturb or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

CREDIT ANALYSIS & RESEARCH LTD.

Shri. Arun Saha
Joint Managing Director
Infrastructure Leasing & Financial Services Ltd.
The IL&FS Financial Centre
Plot C-22, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051

September 30, 2014

Confidential

Dear Sir,

Credit rating for outstanding Long Term Debt Instruments

On a review of recent developments including operational and financial performance of your company for FY14 and Q1FY15, our Rating Committee has reviewed the following rating:

| Instrument | Amount Rated (Rs. crore) | Rating ¹ | Remarks |
|--|--------------------------|--|------------|
| Non-Convertible Debenture Issue* | 3,716.54 | CARE AAA (Triple A) | Reaffirmed |
| Subordinated Debt Issue* | 6.85 | CARE AAA (Triple A) | Reaffirmed |
| Redeemable Cumulative Preference Shares* | 1,000 | CARE AAA (RPS) (Triple A (Redeemable Preference Shares)) | Reaffirmed |

*details given in Annexure I

- The rationale for the rating will be communicated to you separately.
- CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
- CARE reserves the right to suspend/withdraw/revise the rating assigned on the basis of new information or in the event of failure on the part of the company to furnish such information, material or clarifications as may be required by CARE.

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

Page 1 of 4

CREDIT ANALYSIS & RESEARCH LTD

CARE shall also be entitled to publicize/disseminate such suspension / withdrawal / revision in the assigned rating in any manner considered appropriate by it, without reference to you.

5. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.

6. CARE ratings are not recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,



[Aditya Acharekar]

Sr. Manager

Aditya.acharekar@careratings.com

Yours faithfully,



[Anuj Jain]

AGM

Anuj.jain@careratings.com

Encl.: As above

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Annexure I

Non Convertible Debentures

| Series | Issue Size | Amount o/s. (30.06.14) | Rating |
|---|-----------------|---------------------------|------------------------|
| 2001 IX A | 10.00 | 0.18 | CARE AAA (Triple A) |
| 2001 IX B | 6.00 | 0.90 | |
| 2001 Ser XI | 25.00 | 17.45 | |
| 2002 Ser XI | 25.00 | 2.91 | |
| 2009 Ser III | 150.00 | 150.00 | |
| 2009 Ser IV | 245.10 | 245.10 | |
| 2009 Ser VI A | 50.00 | 50.00 | |
| 2009 Ser VI B | 50.00 | 50.00 | |
| 2009 Ser XVI | 300.00 | 300.00 | |
| 2010 Ser V | 350.00 | 350.00 | |
| 2010 Ser VI | 150.00 | 150.00 | |
| 2010 Ser VIII | 150.00 | 150.00 | |
| 2010 Ser IX | 325.00 | 325.00 | |
| 2010 Ser XI | 25.00 | 25.00 | |
| 2011 Ser VIII | 290.00 | 290.00 | |
| 2012 Ser IX | 210.00 | 210.00 | |
| 2012 Ser I | 390.00 | 390.00 | |
| 2012 Ser III | 46.50 | 46.50 | |
| 2012 Ser IV | 50.00 | 50.00 | |
| 2013 Ser I C | 200.00 | 200.00 | |
| 2013 Ser I D | 69.00 | 69.00 | |
| 2013 Ser II A | 200.00 | 200.00 | |
| 2013 Ser II B | 100.00 | 100.00 | |
| Unutilised | - | 344.50 | |
| Total Non Convertible Debentures | 3,416.60 | 3,716.54 | |

Handwritten mark

Subordinated Debt

| Unsecured Subordinated Debt | Issue Size | Amount o/s. (30.06.14) | Rating |
|--------------------------------|------------|---------------------------|------------------------|
| 2001 Series V | 100.00 | 6.85 | CARE AAA (Triple A) |
| Total Subordinated Debt | | 6.85 | |

Redeemable Cumulative Preference Shares

| Redeemable Cumulative Preference Shares | Issue Size | Amount o/s. (30.06.14) | Rating |
|--|-----------------|------------------------|--|
| Series 2013-I | 300.00 | 300.00 | CARE AAA (RPS) (Triple A (Redeemable Preference Shares)) |
| Series 2013-II | 443.77 | 443.77 | |
| Series 2013-III | 25.45 | 25.45 | |
| Series 2014-IV | 230.78 | 230.78 | |
| Total Redeemable Cumulative Preference Shares | 1,000.00 | 1,000.00 | |



Celebrating 20th Anniversary of Analytical Excellence

Mr. Arun K. Saha
Joint Managing Director
Infrastructure Leasing & Financial Services Ltd.
The IL&FS Financial Centre
Plot C-22, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051

May 7, 2014

Confidential

Dear Sir,

Credit Rating for Redeemable Cumulative Preference Shares Issue of Rs.1,000 crore

Please refer to our letter dated March 4, 2014 and your request for revalidation of the rating assigned to the Redeemable Cumulative Preference Shares of Infrastructure Leasing & Financial Services Ltd. (IL&FS), for a limit of Rs.1,000 crore.

2. It has been decided to reaffirm the rating of 'CARE AAA (RPS)' (Triple A (Redeemable Preference Shares)) to the Redeemable Cumulative Preference Shares issue of the company, aggregating to Rs.1,000 crore. The proposed preference shares would have a tenor of up to 7 years.
3. Instruments with this rating are considered to have the highest degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk. Our rating symbols for various ratings for long term instruments and explanatory notes thereon are annexed.
4. Please arrange to get the rating revalidated, in case the proposed issue is not made within six months from the date of this letter.
5. Please inform us the details of issue (date of issue, name of investor, amount issued, interest rate, date of maturity, etc.) as soon as it has been placed.



Celebrating Two Decades of Analytical Excellence

6. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
7. CARE reserves the right to suspend / withdraw / revise the rating assigned on the basis of new information or in the event of failure on the part of the company to furnish such information, material and clarifications as may be required by CARE. CARE shall also be entitled to publicize / disseminate such suspension / withdrawal / revision to the assigned rating in any manner considered appropriate by it, without any reference to you.
8. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
9. CARE ratings are not recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,


[Pankaj Nalik]
Manager


[Aditya Acharekar]
Sr. Manager

Recd: As above.

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, repay, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information, and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

CREDIT ANALYSIS & RESEARCH LTD.

47, First, Floor, Elnor, Baranga Hospital Road, Old Fort, Coimbatore-641 005, India (P) 94 49 30 20 20

Mr. Arun Saha
Joint Managing Director
Infrastructure Leasing & Financial Services Limited
IL&FS Centre, Plot C21, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai 400 051

April 23, 2014

Dear Mr. Saha,

Re: Rating of Infrastructure Leasing & Financial Services Limited's (IL&FS) short-term debt

India Ratings (see definition below) communicates the 'IND A1+' rating of IL&FS's INR 7.25 bn short-term debt.

IL&FS's Long-term issuer rating is 'IND AAA' Outlook Stable

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commitment. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the

website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in a India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including, without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings' ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It is important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient. The rating detailed above is valid for 12 months from the date of issue of securities under this issuance or 30th April 2015, whichever is earlier. Notwithstanding the above, the rating is subject to review on a continuing basis, with formal reviews being undertaken at regular intervals of no more than 12 months.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact us at 91 22 40001700.

Sincerely,

India Ratings

By:



Ananda Bhownik
Senior Director



Eliaz Syed
Director

Mr. Arun Saha
Joint Managing Director
Infrastructure Leasing & Financial Services Limited
ILFS Centre, Plot C22, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai 400 051

August 25, 2014

Dear Mr. Saha,

Re: Rating of Infrastructure Leasing & Financial Services Limited's (IL&FS) short-term debt

India Ratings (see definition below) communicates the 'IND A1+' rating of IL&FS's INR 7.25 bn short-term debt.

IL&FS's Long-term issuer rating is 'IND AAA' Outlook Stable.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings, India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the



website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in a India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings' ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.

It is important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient. The rating detailed above is valid for 12 months from the date of issue of securities under this issuance or 31st August 2015, whichever is earlier. Notwithstanding the above, the rating is subject to review on a continuing basis, with formal reviews being undertaken at regular intervals of no more than 12 months.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact us at 91 22 40001700

Sincerely,

India Ratings

By:



Ananda Bhoomik
Senior Director



Bhaskar Som
Director

Mr. Arun Saha
Joint Managing Director
Infrastructure Leasing & Financial Services Limited
IL&FS Centre, Plot C22, G Block,
Bandra Kurla Complex, Bandra (E)
Mumbai 400 051

15 July 2014

Dear Sir,

Re: Long-term rating of Infrastructure Leasing & Financial Services Limited's (IL&FS) debt

India Ratings (see definition below) communicates 'IND AAA' rating to IL&FS's INR 5bn long term debt issuance. IL&FS has already issued INR 3bn out of the above rated amount.

IL&FS's Long-term issuer rating is 'IND AAA' Outlook Stable.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a

given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in a India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including, without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings' ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating to investors.

It is important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact us at 91 22 4000 1700.

Sincerely,

India Ratings

By:



Ananda Bhattacharya
Senior Director



Bhaskar Som
Director

Mr. Anil Saha
Joint Managing Director
Infrastructure Leasing & Financial Services Limited
IL&FS Centre, Plot C32, G Block,
Bandra Kurla Complex, Bandra (E)
Mumbai 400 051

04 August 2014

Dear Sir,

Re: Long-term rating of Infrastructure Leasing & Financial Services Limited's (IL&FS) debt

India Ratings (see definition below) communicates "IND AAA" rating to IL&FS's INR 5bn long term debt issuance.

IL&FS's Long-term issuer rating is "IND AAA/Outlook Stable".

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisors, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisors are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a

given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in a India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings' ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating to investors.

It is important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact us at 91 22 4000 1700.

Sincerely,

India Ratings

By:



Ananda Bhroumik
Senior Director



Rajesh Valchan
Senior Director



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Ref No. 2014/1546/1000
May 5, 2014

Mr. Anil K. Singh
Joint Managing Director
Infrastructure Leasing & Finance of Bankers Limited
The ILEFIS Financial Centre
Banera Kumbh Complex
Dombivli (West), Mumbai 400 051

Dear Sir,

Re: Surveillance of Credit Rating for the Short Term Borrowing Programme (Including Commercial Paper) of Rs. 500 crore

As you would be aware, in terms of the mandate letter received from its clients, ICRA Limited is required to review all its ratings on an annual basis, or as and when the circumstances so warrant.

The Rating Committee of ICRA, after due consideration of the latest developments in your company has reaffirmed the "[ICRA] A1+" (domestic) / "[ICRA] A" (overseas) Rating to your Short Term Borrowing Programme (Including Commercial Paper) of Rs. 500 crore. Instruments with "[ICRA] A+" rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk within this category. Rating modification "[+]" (plus) can be used with the rating symbols. The modifiers affect the comparative standing within the category.

Kindly note

(a) Subject to Clause (c) below, our rating is valid from the date of this letter (4 July 2014). The rating will generally be due for review at the end of the Validity Period. The maturity date of the Short Term Debt(s) should not be after the end of the Validity Period.

(b) You are required to inform us about any default or delay in repayment of interest and/or principal amount of the instrument rated, as above, or any other debt instruments / borrowings. You are also required to keep us forthwith informed of any other developments which may have a Good or Infract impact on the debt servicing capability of the company including any proposal for re-structuring or postponement of the repayment programmes of the due debts of the company with any lender (s)/ lender (s).

The rating, as affirmed, however, should not be treated as a recommendation to buy, sell or hold the Short Term Debt issued by you. The rating is restricted to your Short Term Borrowing Programme (including Commercial Paper) of Rs. 500 crore only. In case, you propose to enhance the limit of the Short Term Debt programme, the same would require to be rated afresh. ICRA does not assume any responsibility on its part, for any liability, that may arise consequent to your not complying with any eligibility criteria, applicable from time to time, for issuance of Short Term Debt.

You are required to inform immediately us and when the borrowing limit for the instrument rated, as above or as proposed by the regulatory authorities) is exceeded.

We thank you for your kind cooperation extended during the course of the rating process. Should you require any clarification, please do not hesitate to get in touch with us.

With kind regards,

Yours faithfully,
ICRA Limited


ANIL K. SINGH
Senior Vice President &
Co Head Financial Sector Ratings


KALPESH GADA
Senior Vice President

1802, 18th Floor, Tower 3,
Indira Park, Pimpri Chinchwad,
Santacruz (West) Road,
Pimpri Chinchwad, Mumbai 400 050

Tel : + 91 22 61798300
Fax : + 91 22 24034390

Website: www.icra.in
Email : Mumbai@icramnba.com

Regd. Office : IICSI, Kalash Building, 11th Floor, 28, Kasturba Gandhi Marg, New Delhi - 110 031



CONFIDENTIAL

September 15, 2014

Mr. Anur K. Bhat
Joint Managing Director
Infrastructure Leasing & Financial Services Limited
The IL&FS Financial Centre
Bandra Kurla Complex
Bandra (East), Mumbai 400 051

Dear Sir,

Re : Accreditation of Credit Rating for the Short Term Borrowing Programme (Including Commercial Paper) of Rs.500 crore.

This is with reference to your request letter / note email dated September 15, 2014 for re-validating the rating for the captioned programme.

We hereby confirm that the "A1+" rating assigned to the captioned programme and as communicated to you vide our letter dated May 5, 2014 stands. A1 rating is the highest-credit-quality rating assigned by ICRA to short-term debt instruments. Instruments rated in this category carry the lowest credit risk in the short term. Within this category, certain instruments are assigned the rating of A1+ to reflect their relatively stronger credit quality.

The rating is valid from the date of this letter till September 18, 2015 (Validity Period). The rating will generally be due for review at the end of the Validity Period. The maturity date of the STB shall not be after the end of the Validity Period.

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same vide our letter Ref No. 2014-15/MC/M209 dated May 5, 2014.

With kind regards,

Yours faithfully,
For ICRA Limited

KARTHIK SRINIVASAN
Senior Vice President &
Co-Head Financial Sector Rating

KALPESH GADA
Senior Vice President



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Ref No: 2014-1506/AM211
May 8, 2014

Mr. Anil K. Malik
Joint Managing Director
Infrastructure Leasing & Financial Services Company
The IIFSL Finance Centre
Bandra Kurla Complex
Bandra (East) Mumbai 400 051

Dear Sir,

Re: ICRA Credit Rating for the Non Convertible Debenture Programme of RailDCO

Please refer to your request vide your letter dated Jul 10, 2012 for rating the Non Convertible Debenture Programme of your Company. The Rating Committee of ICRA after due deliberation, has assigned the 'TRAJAAA' (previously ICRA triple A) rating with a Stable outlook in your captioned Non Convertible Debenture Programme of Rs. 200 crore. Instruments with this rating are considered to have the highest degree of safety relating to timely servicing of financial obligations. Such instruments carry lowest credit risk.

In any of your publicly issued or other documents whenever you are using our above rating, it should be stated as 'TRAJAAA (Stable)', we would appreciate if you can sign on the duplicate copy of this letter and send it to us within 30 days from the date of this letter as a witness of your acceptance and use of the assigned rating. The rationale for assigning this above rating will be sent to you by e-mail of your coordinator about the use of our rating as above. Any rationale by you about the above rating to any Market Listing Agency/Government Authorised Stock Exchange would constitute use of this rating by you.

If the instrument rated as above is not issued by you within a period of 10 months from the date of the above communication, the rating, the issue would stand withdrawn unless re-evaluated before expiry of the 10 months.

You are obligated to promptly inform us about any default or delay in repayment of interest and/or principal amount of the instrument rated, as above, or any other debt instruments / borrowings. You are also required to keep us promptly informed of any other development which may have a direct or indirect impact on the debt servicing capability of the Company including any proposal for restructuring or postponement of the repayment programme of the debentures of the company with any article (2) investors (a).

The rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or substance of the issue would require the rating to be reviewed by us.

There is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned.

You are required to obtain us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority (as) is exceeded.

ICRA reserves the right to suspend withdrawal or change the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA deems, may have an impact on the rating assigned to you.

The ratings are classified, however, should not be treated as a recommendation to buy, sell or hold any Non Convertible Debenture issued by you.

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1002, 7th Floor, Tower 3,
Mumbai Finance Centre,
Senapati Bapat Marg,
Elphinstone, Mumbai 400 053

Tel: + 91 22 61756310
Fax: + 91 22 24323330

Website: www.icra.in
Email: mumbai@icraindia.com

Regd. Office: 1105, Kanchanj Building, 7th Floor, 20, Kasturba Gandhi Marg, New Delhi - 110 001



CONFIDENTIAL

July 27, 2014

Mr. Anil K. Saha
Joint Managing Director & CEO
Infrastructure Leasing & Financial Services Limited
Eng. J. J. S. Finance Centre
Bandra-Kurla Complex
Bandra (East), Mumbai 400051

Dear Sir,

Re: Revitalisation of Credit Rating for the Non-Convertible Debenture Programme

This is with reference to your request letter/demand dated July 21, 2014 for revitalising the rating for the captioned programme.

We hereby confirm that the "[ICRA]AAA" rating with Stable Outlook assigned to the captioned programme and set communicated to you via our letter dated May 5, 2014, stands. The instrument details are mentioned below:


| Rating instrument | Sanctioned amount (Rs. cr) | Issued amount (Rs. cr) | Available amount (Rs. cr) |
|-------------------|-------------------------------|---------------------------|------------------------------|
| 2014-15/ICRA/1210 | 202.00 | 2.61.90 | 36.90 |
| 2014-15/ICRA/1211 | 200.00 | 2.00 | 200.00 |
| Total | 262.00 | 264.90 | 563.90 |

This rating is the highest-credit-quality rating assigned by ICRA. The rating instrument carries the lowest credit risk.

The other terms and conditions for the credit rating of the non-convertible instrument, shall remain the same with our letter No/14-15/ICRA/1210 and letter Ref No. 2014-15/ICRA/1211 dated May 5, 2014.

With regards

Yours faithfully,
ICRA Limited


ANIL K. SAHA
Senior Vice President &
Co-Head Financial Sector Ratings


KALPERK GADA
Senior Vice President

1802, 18th Floor, Tower 3,
Infrahub's Finance Centre,
Senapati Bapat Marg,
Ephraimera, Mumbai 400013

Te : + 91 22 61786000
Fax : + 91 22 24371393
GIN : E74969DL1991PLC042749

Website: www.icra.in
email: ratings@icraandig.com

Regd. Office : 1105, Kailash Building, 11th Floor, 2B, Kasturba Gandhi Marg, New Delhi - 110 001