

March 12, 2026

To, The Manager, Listing Department, BSE Limited, 1st Floor, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai – 400 001. BSE Scrip Code: 540776	To, The Manager, Listing Department, The National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. NSE Symbol: 5PAISA
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Dear Sir / Madam,

Sub: Submission of Letter of Offer for Rights Issue of fully paid-up equity shares of face value of ₹ 10 (“Equity Shares”) of 5paisa Capital Limited (the “Company”)

This is in continuation to our earlier announcements dated February 24, 2026 and March 11, 2026, wherein the Company had proposed to undertake an issuance of 15,627,419 fully paid-up Equity Shares (**“Rights Equity Shares”**) at an issue price of ₹ 300/- per Rights Equity Share (including a premium of ₹ 290/- per Rights Equity Share), aggregating up to ₹ 4,688.23 million to the eligible equity shareholders of the Company in the ratio of 1 (One) Rights Equity Shares for every 2 (Two) fully paid-up Equity Shares held by eligible shareholders on the record date i.e., Tuesday, March 17, 2026.

In this regard, please find enclosed the soft copy of letter of offer dated March 12, 2026 (**“Letter of Offer”**) which was approved by the Board of Directors of the Company.

The Company is submitting the Letter of Offer with the Securities and Exchange Board of India (**“SEBI”**), BSE Limited and National Stock Exchange of India Limited on March 12, 2026, in compliance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and the SEBI Circular bearing no. (HO/49/14/14(2)2026-CFD-POD2/I/4518/2026) dated February 09, 2026.

We kindly request you to take the above on record.

Thanking you,

For 5paisa Capital Limited

Charvi Panchmatia
Company Secretary & Compliance Officer
ICSI Membership No.: A49189
Email ID: csteam@5paisa.com

5paisa Capital Limited



5PAISA CAPITAL LIMITED

5paisa Capital Limited (“Company” or “Issuer”) was originally incorporated as a public limited company under the provisions of the Companies Act, 1956 as “India Infoline Finance Holdings Limited” pursuant to a certificate of incorporation dated July 10, 2007 issued by the Registrar of Companies, Maharashtra at Mumbai (“RoC”). Thereafter, our Company obtained the certificate for commencement of business on July 19, 2007 from the RoC. The name of our Company was subsequently changed to “IIFL Capital Limited” and a fresh certificate of incorporation dated November 6, 2007, consequent upon change of name, was issued by the RoC. Thereafter, the name of our Company was changed to “5paisa Capital Limited”, and a fresh certificate of incorporation, consequent upon change of name, was issued by the Registrar of Companies, Tamil Nadu at Chennai (where the registered office of our Company was located), on August 12, 2015. For details in relation to the changes in name and registered office of our Company, refer to “**General Information**” beginning on page 44.

Registered and Corporate Office: IIFL House, Sun Infotech Park, Road No. 16V, B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane – 400604, Maharashtra, India.

Contact person: Charvi Ajay Panchmatia, Company Secretary and Compliance Officer
Telephone no.: +91 22 41035000 | **E-mail id:** csteam@5paisa.com | **Website:** www.5paisa.com
Corporate Identity Number: L67190MH2007PLC289249

PROMOTERS OF OUR COMPANY:	
NIRMAL BHANWARLAL JAIN, MADHU N JAIN, VENKATARAMAN RAJAMANI, KALKI FAMILY PRIVATE TRUST, ADITI ATHAVANKAR, NIRMAL MADHU FAMILY PRIVATE TRUST	
FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF SPAISA CAPITAL LIMITED ONLY	
ISSUE OF UP TO 15,627,419 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹10 EACH OF OUR COMPANY (THE “RIGHTS EQUITY SHARES”) FOR CASH AT A PRICE OF ₹300.00 PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹290.00 PER RIGHTS EQUITY SHARE) (“ISSUE PRICE”) AGGREGATING UP TO ₹4,688.23 MILLION* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 1 (ONE) RIGHTS EQUITY SHARE FOR EVERY 2 (TWO) FULLY PAID-UP EQUITY SHARES OF ₹10 EACH OF OUR COMPANY (“EQUITY SHARES”) HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON FRIDAY MARCH 17, 2026 (“RECORD DATE”) (THE “ISSUE”). FOR FURTHER DETAILS, PLEASE REFER TO “TERMS OF THE ISSUE” ON PAGE 76.	
# Assuming full subscription of the Issue. Subject to finalization of Basis of Allotment.	
WILFUL DEFAULTERS OR FRAUDULENT BORROWERS	
Neither our Company nor any of our Promoters or any of our Directors have been declared as a wilful defaulter or a Fraudulent Borrower by the RBI or any other Government Authority	
GENERAL RISKS	
Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. Specific attention of the investors is invited to “Risk Factors” beginning on page 17 before making an investment in this Issue.	
ISSUER’S ABSOLUTE RESPONSIBILITY	
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, and that the information contained in this Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.	
LISTING	
The existing Equity Shares are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”, and together with BSE, the “Stock Exchanges”). Our Company has received “in-principle” approvals from NSE and BSE for listing the Rights Equity Shares through their letters each dated March 05, 2026. Our Company will also make applications to NSE and BSE to obtain trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular. For the purposes of the Issue, the Designated Stock Exchange is BSE.	
REGISTRAR TO THE ISSUE	
 MUG Intime India Private Limited (formerly known as Link Intime India Private Limited) C-101, 1 st Floor, Embassy 247, LBS Marg, Surya Nagar, Gandhi Nagar Vikhroli (West), Mumbai –400 083, Maharashtra, India. Telephone Number: +91 81081 14949; Email Id: 5paisacap.rights2026@in.mpms.mug.com Website: www.in.mpms.mug.com; Contact Person: Shanti Gopalakrishnan Investor Grievance e-mail: 5paisacap.rights2026@in.mpms.mug.com; SEBI Registration No.: INR000004058; CIN: U67190MH1999PTC118368	
ISSUE SCHEDULE	
LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	Wednesday, March 18, 2026
ISSUE OPENING DATE	Friday, March 27, 2026
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS	Tuesday, April 07, 2026
DATE OF CLOSURE OF OFF-MARKET TRANSFER OF RIGHTS ENTITLEMENTS*	Thursday, April 09, 2026
ISSUE CLOSING DATE#	Friday, April 10, 2026
DATE OF FINALISATION OF BASIS OF ALLOTMENT	On or about Monday, April 13, 2026
DATE OF ALLOTMENT	On or about Wednesday, April 15, 2026
DATE OF CREDIT OF RIGHTS EQUITY SHARES	On or about Wednesday, April 15, 2026
DATE OF LISTING	On or about Thursday, April 16, 2026

* Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.

Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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SECTION I – GENERAL
DEFINITIONS AND ABBREVIATIONS

This Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates, requires or implies or unless otherwise specified, shall have the meaning as provided below.

References to any legislation, act, regulation, rule, guideline, clarification or policy shall be to such legislation, act, regulation, rule, guideline or policy as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. The words and expressions used in this Letter of Offer but not defined herein shall have the meaning ascribed to such terms under the SEBI ICDR Regulations, the SEBI Listing Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

The following list of capitalised terms used in this Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive. However, terms used in the sections entitled “Summary of this Letter of Offer”, “Risk Factors”, “Statement of Possible Special Tax Benefits” “Financial Information” and “Terms of the Issue” on pages 15, 17, 59, 67 and 76 respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/ chapters.

GENERAL TERMS

TERM	DESCRIPTION
“Company”, “our Company”, “the Company”, “the Issuer” or “5paisa”	5paisa Capital Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered and corporate office at IIFL House, Sun Infotech Park, Road No. 16V, B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane – 400604, Maharashtra, India.
“We”, “Us” or “Our” or “our Group”	Unless the context otherwise indicates or implies or unless otherwise specified, refers to our Company, along with our Subsidiaries, as applicable, on a consolidated basis.

COMPANY RELATED TERMS

TERM	DESCRIPTION
“Articles of Association” or “Articles”	Articles of association of our Company, as amended from time to time.
“Audit Committee”	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Section 177 of the Companies Act, 2013.
“Audited Consolidated Financial Information”	The audited consolidated financial statements of our Company and its subsidiaries (together referred to as the “ Group ”) as at and for the years ended March 31, 2025 and March 31, 2024 which comprises the consolidated balance sheet as at March 31, 2025 and March 31, 2024, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the years ended March 31, 2025 and March 31, 2024, and a summary of material accounting policies and other explanatory information prepared in accordance with the Indian Accounting Standards (“ Ind AS ”) notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act.
“Auditors” or “Statutory Auditors”	The current statutory auditors of our Company, being, M/s. V Sankar Aiyar & Co., Chartered Accountants.
“Board of Directors” or “Board” or “our Board”	The board of directors of our Company. For details see, “ Our Management – Board of Directors ” on page 64.
“Chairperson”	The chairperson of the Board of Directors of our Company, being, Archana Niranjan Hingorani. For details, see “ Our Management – Our Board of Directors ” on page 64.
“Chief Financial Officer” or “CFO”	The Chief Financial Officer and Whole-time Director of our Company, being, Gourav Munjal. For details, see “ Our Management - Our Board of Directors ” on page 64.
“Chief Executive Officer” or “CEO” or “Managing Director” or “MD”	The Chief Executive Officer and Managing Director of our Company, being, Gaurav Seth. For details, see “ Our Management - Our Board of Directors ” on page 64.

TERM	DESCRIPTION
“Company Secretary and Compliance Officer”	The company secretary and compliance officer of our Company, being, Charvi Ajay Panchmatia. For details, see “ <i>Our Management– Details of Key Managerial Personnel and Senior Management</i> ” on page 66.
“Directors”	The directors on our Board, as may be appointed from time to time as described in section titled “ <i>Our Management– Board of Directors</i> ” on page 64.
“Equity Shares”	Equity shares of our Company of face value of ₹10 each.
“Executive Director”	The executive Director of our Company, appointed as per the Companies Act, 2013 and the SEBI LODR Regulations. For details of our Executive Director, see “ <i>Our Management –Board of Directors</i> ” on page 64.
“ESOP”	Employee Stock Option Plan.
“Independent Director(s)”	The non-executive, independent Directors of our Company, appointed as per the Companies Act, 2013 and the SEBI LODR Regulations. For details, see “ <i>Our Management –Board of Directors</i> ” on page 64.
“Group Companies”	Group companies of our Company as determined in terms of Regulation 2(1)(t) of SEBI ICDR Regulations.
“Key Managerial Personnel”	Key managerial personnel of our Company determined in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations, and as described in section titled “ <i>Our Management– Details of Key Managerial Personnel and Senior Management</i> ” on page 66.
“Materiality Threshold”	Amount equivalent to 1% of the Company’s profit after tax before comprehensive income, as per the audited consolidated financial statements of our Company, which is determined to be ₹6.82 million (as per the Fiscal 2025 Audited Consolidated Financial Statements), being the lowest of: (i) such amount as determined under the Company’s Policy on Identification of Material Litigations dated July 12, 2024; and (ii) the thresholds prescribed under Schedule VI Part B of the SEBI ICDR Regulations, being the lowest of (a) 2% of turnover as per the Fiscal 2025 Audited Consolidated Financial Statements, (b) 2% of net worth as per the Fiscal 2025 Audited Consolidated Financial Statements, and (c) 5% of the average absolute value of profit or loss after tax, as per the audited consolidated financial statements of our Company for Fiscals 2023, 2024 and 2025.
“Memorandum of Association” or “Memorandum”	Memorandum of association of our Company, as amended from time to time.
“Non-Executive Independent Director(s)”	The Non-Executive Independent Directors of our Company, as described in section titled “ <i>Our Management– Board of Directors</i> ” on page 64.
“Promoters”	The promoters of our Company being Nirmal Bhanwarlal Jain, Madhu N Jain, Venkataraman Rajamani, Kalki Family Private Trust (<i>acting through its trustee Aditi Avinash Athavankar</i>), Aditi Athavankar, Nirmal Madhu Family Private Trust (<i>acting through its trustees Mansukhlal Jain and Pritesh Mehta</i>).
“Promoter Group”	Unless the context requires otherwise, the promoter group of our Company as determined in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations.
“Registered and Corporate Office”	IIFL House, Sun Infotech Park, Road No. 16V, B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane – 400604, Maharashtra, India.
“Registrar of Companies”/ “RoC”	Registrar of Companies, Mumbai at Maharashtra having its office at 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra.
“Rights Issue Committee”	The Rights Issue Committee consisting of members Gaurav Seth, Gourav Munjal, Ameya Agnihotri, Sudhendoo Ganddhi, Charvi Ajay Panchmatia.
“Senior Management”	Senior management of our Company determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations. For details, see “ <i>Our Management– Details of Key Managerial Personnel and Senior Management</i> ” on page 66.
“Subsidiary” or “Subsidiaries”	The subsidiaries of our Company, identified in accordance with the Companies Act, 2013, being namely: <ul style="list-style-type: none"> a) Spaisa P2P Limited b) Spaisa Corporate Services Limited c) Spaisa Trading Limited; and d) Spaisa International Securities (IFSC) Limited

TERM	DESCRIPTION
“Unaudited Consolidated Financial Results”	The limited review unaudited consolidated financial results of our Company and its Subsidiaries, as at and for the nine months period ended December 31, 2025 and December 31, 2024 prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 ‘Interim Financial Reporting’ (‘Ind AS 34’), prescribed under section 133 of the Companies Act, 2013, other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI Listing Regulations.

ISSUE RELATED TERMS

TERM	DESCRIPTION
Additional Rights Equity Shares	The Rights Equity Shares applied for or allotted under this Issue in addition to the Rights Entitlement.
“Allotment” or “Allot” or “Allotted”	Allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account(s)	The account(s) opened with the Banker(s) to the Issue, into which the Application Money, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013.
Allotment Account Bank(s) or Refund Bank	Bank which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being ICICI Bank Limited.
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue after approval of the Basis of Allotment by the Designated Stock Exchange.
Allotment Date	Date on which the Allotment is made pursuant to the Issue.
Allottee(s)	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue.
Applicant(s) or Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to make an application for the Rights Equity Shares pursuant to the Issue in terms of this Letter of Offer.
Application	Application made through submission of the Application Form or plain paper application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price.
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in the Issue.
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.
Application Supported by Blocked Amount or ASBA	Application (whether physical or electronic) used by Applicant(s) to make an application authorizing the SCSB to block the Application Money in a specified bank account maintained with the SCSB.
ASBA Account	An account maintained with SCSBs and as specified in the Application Form or plain paper Application, as the case may be, by the Applicant for blocking the amount mentioned in the Application Form or in the plain paper Application.
ASBA Applicant / ASBA Investor	As per the SEBI ICDR Master Circular, all investors (including renouncee) shall make an application for a rights issue only through ASBA facility.
ASBA Circulars	Collectively, SEBI ICDR Master Circular (to the extent it pertains to the rights issue process) and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.
Banker to the Issue	ICICI Bank Limited
Banker to the Issue Agreement	Agreement dated February 27, 2026 entered into by and among our Company, the Registrar to the Issue and the Banker to the Issue for among other things, collection of the Application Money from Applicants/Investors and transfer of funds to the Allotment Account, on the terms and conditions thereof.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in consultation with the Designated Stock Exchange in this Issue, as described in “ <i>Terms of the Issue</i> ” beginning on page 76.

TERM	DESCRIPTION
Controlling Branches or Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchanges, a list of which is available on SEBI's website, updated from time to time, or at such other website(s) as may be prescribed by the SEBI from time to time.
Demat Suspense Account	A separate demat suspense account opened by our Company (namely, "MIPL 5PAISA CAPITAL LIMITED RIGHTS ESCROW DEMAT ACCOUNT").
Demographic Details	Details of Investors including the Investor's address, PAN, DP ID, Client ID, bank account details and occupation, where applicable.
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.
Designated SCSB Branch(es)	Such branches of the SCSBs which shall collect the Applications, used by the ASBA Investors and a list of which is available on the website of SEBI and/or such other website(s) as may be prescribed by the SEBI from time to time.
Designated Stock Exchange	The designated stock exchange for the Issue, being BSE.
"Draft Letter of Offer" or "DLOF"	The draft letter of offer dated February 24, 2026 issued by our Company, including any addenda or corrigenda as may be issued thereto, in accordance with the SEBI ICDR Regulations, 2018, as amended and filed with the Stock Exchanges.
Eligible Equity Shareholder(s)	Equity Shareholders as on the Record Date. Please note that only those Equity Shareholders who have provided an Indian address to our Company are eligible to participate in the Issue. For details, see "Notice to Investors" and "Restrictions on Purchases and Resales" beginning on pages 8 and 100, respectively.
Equity Shareholder(s) or Shareholders	Holder(s) of the Equity Shares of our Company.
FEMA Rules	Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, issued by the Ministry of Finance, Government of India, as amended.
Fraudulent Borrower	Fraudulent Borrower(s) as defined under Regulations 2(1)(III) of the SEBI ICDR Regulations.
Gross Proceeds or Issue Proceeds	The gross proceeds raised through the Issue.
"Issue" or "Rights Issue"	This issue of up to 15,627,419* Rights Equity Shares for cash at a price of ₹300.00 per Rights Equity Share (including a premium of ₹290.00 per Rights Equity Share) aggregating up to ₹4,688.23* million on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of 1 (One) Rights Equity Shares for every 2 (Two) Equity Shares held by the Eligible Equity Shareholders on the Record Date. <i>*Assuming full subscription in the Issue, subject to finalization of the Basis of Allotment.</i>
Issue Closing Date	Friday, April 10, 2026
Issue Materials	Collectively this Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue.
Issue Opening Date	Friday, March 27, 2026
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Applications, in accordance with the SEBI ICDR Regulations.
Issue Price	₹300.00 per Rights Equity Share, including premium of ₹290.00 per Rights Equity Share.
Issue Size	The issue of up to 15,627,419 Rights Equity Shares of face value ₹10 each, aggregating up to ₹4,688.23 million. <i>(Assuming full subscription in the Issue. Subject to finalization of the Basis of Allotment)</i>
Letter of Offer/LOF	This letter of offer dated March 12, 2026 issued by our Company in relation to this Issue in accordance with the SEBI ICDR Regulations, 2018, as amended.
Listing Agreements	The uniform listing agreements entered into between our Company and the Stock Exchanges in terms of the SEBI Listing Regulations.
Monitoring Agency	CARE Rating Limited
Monitoring Agency Agreement	Agreement dated February 27, 2026 entered between our Company and the Monitoring Agency in relation to monitoring of Gross Proceeds.
Multiple Application Forms	More than one application form submitted by an Eligible Equity Shareholder/ Renouncee, in respect of the same Rights Entitlement available in their demat account. However,

TERM	DESCRIPTION
	additional applications in relation to Additional Rights Equity Shares with/without using additional Rights Entitlements will not be treated as multiple applications.
Net Proceeds	Issue Proceeds less the estimated Issue related expenses. For details, see “ <i>Objects of the Issue</i> ” beginning on page 50.
Off Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by transferring its Rights Entitlements through off market transfer through a depository participant in accordance with the SEBI ICDR Master Circular, circulars issued by the Depositories from time to time and other applicable laws. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.
On Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by trading its Rights Entitlements over the secondary market platform of the Stock Exchanges through a registered stock broker in accordance with the SEBI ICDR Master Circular, circulars issued by the Stock Exchanges from time to time and other applicable laws, on or before Tuesday, April 07, 2026.
Qualified Institutional Buyers or QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for the Rights Equity Shares in the Issue, subject to terms and conditions set out in the Issue Materials to be decided prior to the filing of this Letter of Offer, being Tuesday, March 17, 2026.
Registrar Agreement	Agreement dated March 05, 2026, between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue.
Registrar to the Issue or Share Transfer Agent or Registrar	MUFG Intime India Private Limited (<i>formerly Link Intime India Private Limited</i>).
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation in accordance with the SEBI ICDR Master Circular.
Renunciation Period	The period during which the Eligible Equity Shareholders can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on Tuesday, April 07, 2026, in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.
Rights Entitlement(s)	Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being 1 (One) Rights Equity Shares for every 2 (Two) Equity Shares held by an Eligible Equity Shareholder on the Record Date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlement(s) are also accessible on the website of our Company.
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue.
Rights Equity Shareholders	Holder of the Rights Equity Shares pursuant to this Issue.
SEBI ICDR Master Circular	SEBI master circular (HO/49/14/14(2)2026-CFD-POD2/I/4518/2026) dated February 09, 2026.
“SEBI Listing Regulations” or “SEBI LODR Regulations”	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
“Self-Certified Syndicate Banks” or “SCSBs”	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or

TERM	DESCRIPTION
	https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as applicable, or such other website as updated from time to time.
Specific Investor(s)	Regulation 77B of the SEBI ICDR Regulations defines specific investor(s) as any investor who is eligible to participate in the Issue (a) whose name has been disclosed by our Company in terms of Regulation 84(1)(f)(i) of the SEBI ICDR Regulations; or (b) whose name has been disclosed by our Company in terms of sub-clause 84(1)(f)(ii) of the SEBI ICDR Regulations.
Stock Exchanges	Stock exchanges where the Equity Shares are presently listed i.e. BSE Limited (“BSE”) and The National Stock Exchange of India Limited (“NSE”).
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Days	All days on which commercial banks in Mumbai are open for business. Further, in respect of the Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, in respect of the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI.

CONVENTIONAL AND GENERAL TERMS OR ABBREVIATIONS

TERM	DESCRIPTION
₹or Rs. or Rupees or INR	Indian Rupee
CSR	Corporate social responsibility
DP	Depository Participant
DPIIT	Department for Promotion of Industry and Internal Trade
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act
FPI	Foreign Portfolio Investor
FVCI	Foreign Venture Capital Investor
GAAP	Generally Accepted Accounting Principles
GIR	General Investor Reference
GoI	Government of India
IEPF	Investor Education and Protection Fund
IFSC Code	Indian Financial System Code
IPR	Intellectual Property Rights
MICR	Magnetic Ink Character Recognition
NACH	National Automated Clearing House
NBFC-SI	Systemically Important Non-Banking Financial Companies
NDI	Non-Debt Instruments
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NRE	Non-Resident External.
NRO	Non-Resident Ordinary
OCB	Overseas Corporate Body.
OCI	Overseas Citizen of India
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act

TERM	DESCRIPTION
RTGS	Real-Time Gross Settlement.
SA	Standards on Auditing
SCORES	SEBI Complaints Redress System
SOFR	Secured Overnight Financing Rate
STT	Securities Transaction tax
“US” or “USA” or “United States”	United States of America, its territories or possessions, any state of the United States, and the District of Columbia
U.S. Securities Act	United States Securities Act of 1933, as amended
VCF	Venture Capital Fund.
VP	Vice President

NOTICE TO INVESTORS

The distribution of this Letter of Offer, Application Form, Rights Entitlement Letter and any other offering material (collectively, the “**Issue Materials**”) and the issue of Rights Entitlement as well as Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, the Rights Entitlement Letter or Application Form or any other Issue Materials may come or who receive Rights Entitlement and propose to renounce or apply for Rights Equity Shares in the Issue are required to inform themselves about and observe such restrictions. For more details, see “**Restrictions on Purchases and Resales**” beginning on page 100.

Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. In case such Eligible Equity Shareholders have provided their valid e-mail address to our Company, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent the Issue Materials.

The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Materials shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Materials. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Draft Letter of Offer, this Letter of Offer, and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction or the United States where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If the Issue Materials are received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares. For more details, see “**Restrictions on Purchases and Resales**” beginning on page 100.

Investors can also access this Letter of Offer and the Application Form from the websites of our Company, the Registrar and the Stock Exchanges.

Our Company, the Registrar and the Registrar to the Issue will not be liable for non-dispatch of physical copies of Issue Materials, including this Letter of Offer, the Rights Entitlement Letter and the Application Form, in the event the Issue Materials have been sent to the registered email addresses of such Eligible Equity Shareholders available with the Registrar in their records.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Letter of Offer is being filed with the Stock Exchanges. Accordingly, the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed, in whole or in part, in (i) the United States, or (ii) any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction

Any person who purchases or renounces the Rights Entitlements or makes an application to acquire the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that such person is outside the United States or such jurisdiction and is eligible to subscribe and authorized to purchase or sell the Rights Entitlements or acquire Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person’s jurisdiction and in India, without the requirement for our Company or our affiliates to make any filing or registration in the United States or any other jurisdiction (other than in India). In addition, each purchaser or seller of Rights Entitlements and the Rights Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in the “**Restrictions on Purchases and Resales**” section beginning on page 100.

Our Company, in consultation with the Registrar to the Issue, reserves the right to treat as invalid any Application Form that: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or any other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including that such person submitting and/or renouncing the Application Form is outside the United States and that such person is

eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with the Issue; (iii) where a registered Indian address is not provided; or (iv) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

Neither the receipt of this Letter of Offer nor any sale of Rights Equity Shares hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer or the date of such information. The contents of this Letter of Offer should not be construed as legal, tax, business, financial or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Rights Equity Shares or Rights Entitlements. In addition, our Company is not making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Entitlements or the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations.

Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by any regulatory authority, nor has any regulatory authority passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in certain jurisdictions.

The Issue Materials are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE U.S. STATE SECURITIES LAWS. ACCORDINGLY, THE RIGHTS EQUITY SHARES ARE ONLY BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES IN "OFFSHORE TRANSACTIONS" AS DEFINED IN AND IN RELIANCE ON REGULATIONS UNDER THE U.S. SECURITIES ACT TO ELIGIBLE EQUITY SHAREHOLDERS LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE IS PERMITTED UNDER THE LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, YOU SHOULD NOT FORWARD OR TRANSMIT THIS LETTER OF OFFER INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation or purchase of the Equity Shares and/ or Rights Entitlements from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No Application Form should be postmarked in the United States, electronically transmitted from the United States or otherwise dispatched from the United States or from any other jurisdiction where it would be illegal to make an offer of securities under this Letter of Offer or where any action would be required to be taken to permit the Issue. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch this Letter of Offer, the Application Form and other applicable Issue Materials primarily to the e-mail addresses of the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires or sells the Rights Entitlements or makes an application for the Rights Equity Shares will be deemed to have represented, declared, warranted and agreed, by accepting the delivery of this Letter of Offer, that it is not and that at the time of subscribing for the Rights Equity Shares or the purchase or sale of the Rights Entitlements, it will not be, in the United States and is authorized to acquire or sell the Rights Entitlement and subscribe to the Rights Equity Shares in compliance with all applicable laws and regulations.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any other federal or state securities commission in the United States, the securities authorities of any non-United States jurisdiction or any other U.S. or non-U.S. regulatory authority, nor have any of the foregoing

authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in certain other jurisdictions.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer.

In making an investment decision, investors must rely on their own examination of our Company and the terms of the Issue, including the merits and risks involved.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER INFORMATION

Certain Conventions

Unless otherwise specified or the context otherwise requires, all references in this Letter of Offer to (i) the 'US' or 'U.S.' or the 'United States' are to the United States of America, its territories and possessions, any state of the United States, and the District of Columbia; (ii) 'India' are to the Republic of India and its territories and possessions; and (iii) the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, Central or State, as applicable.

Unless otherwise specified, any time mentioned in this Letter of Offer is in Indian Standard Time. Unless indicated otherwise, all references to a year in this Letter of Offer are to a Calendar Year. Unless stated otherwise, all references to page numbers in this Letter of Offer are to the page numbers of this Letter of Offer. In this Letter of Offer, references to the singular also refer to the plural and one gender also refers to any other gender, where applicable.

Financial Data

Unless stated otherwise, or unless the context requires otherwise, the financial data in this Letter of Offer is derived from the Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Results. Our Company prepares its Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Results in accordance with Ind AS, Companies Act, 2013 and other applicable statutory and/or regulatory requirements. Our Company publishes its Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Results in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited.

Our Company's Financial Year commences on April 1 of each calendar year and ends on March 31 of the following calendar year. Unless otherwise stated, references in this Letter of Offer to a particular 'Financial Year' or 'Fiscal Year' or 'Fiscal' are to the financial year ended March 31 of that year. For details of the Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Results, see "**Financial Statements**" beginning on page 67.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Unless stated otherwise, throughout this Letter of Offer, our Company has presented all numerical information in "million" units or in whole numbers where the numbers have been too small to represent in million. One million represents 10,00,000.

Non-GAAP Measures

We have included certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance (collectively "**Non-GAAP Financial Measures**", and each, a "**Non-GAAP Financial Measure**") in this Letter of Offer, which are net worth, return on net worth and net asset value per Equity Share. These Non-GAAP Financial Measures are not required by or presented in accordance with Ind AS. We compute and disclose such Non-GAAP Financial Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of other companies in our industry. Further, these Non-GAAP Financial Measures are not a measurement of our financial performance or liquidity under Ind AS, GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ periods or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, GAAP, IFRS or US GAAP. Other companies may calculate these Non-GAAP Financial Measures differently from us, limiting its usefulness as a comparative measure. However, these Non-GAAP Financial Measures may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies. Accordingly, such Non-GAAP Financial Measures have important limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our financial position or results of operations as reported under GAAP. For further details, see "**Risk Factors – Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as IFRS and US GAAP, which may be material to investors' assessments of our financial condition**" on page 40.

Currency of Presentation

All references to

- 'INR', '₹', 'Indian Rupees' and 'Rupees' are to the legal currency of the Republic of India;
- 'US\$', 'USD', '\$' and 'U.S. Dollars' are to the legal currency of the United States of America.

Exchange Rates for Foreign Currency:

This Letter of Offer contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

(in ₹)

Currency#	As on December 31, 2025 ⁽¹⁾	As on December 31, 2024 ⁽¹⁾	As on March 31, 2025 ⁽¹⁾	As on March 31, 2024 ⁽¹⁾
1 USD	89.92	85.62	85.58**	83.37*

Source: www.fbiil.org.in

*March 28, 2024 is considered, since March 31, 2024 being a non-trading day.

**March 28, 2025 is considered, since March 31, 2025 being a non-trading day.

(1) All figures are rounded up to two decimals

FORWARD LOOKING STATEMENTS

Certain statements contained in this Letter of Offer that are not statements of historical fact constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'expected to', 'intend', 'is likely', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'would', or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company's expected financial conditions, result of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Letter of Offer that are not historical facts. These forward-looking statements contained in this Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our Company's expectations include, among others:

- Any downturn or disruption in the securities markets, which are affected by general economic and market conditions in India and globally, may have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.
- A significant portion of our revenue from operations is derived from brokerage and related income, and any adverse developments specifically affecting our broking activities could materially and adversely affect our business, results of operations and cash flows.
- We face significant competition in our businesses, which may limit our growth, profitability and prospects.
- Our revenue from operations and profit after tax have declined in recent periods, which may adversely affect our financial performance and prospects.
- Changing laws, rules and regulations may adversely affect our business, prospects, profitability and results of operations.
- We rely on Indian stock exchanges and clearing corporations for the operation of our brokerage business, and any disruption affecting such entities or our access to them could adversely affect our business.
- We are subject to extensive oversight and supervision by the Government and various regulatory authorities including SEBI, stock exchanges and clearing corporations. Any failure to comply with applicable regulatory requirements could result in regulatory action or proceedings. Any adverse action by such authorities, or an adverse outcome in proceedings involving us or our Promoters, could adversely affect our business, results of operations and financial condition.
- One of our Group Companies and some of our promoters are associated with companies which operate in a similar line of business as our Company, which may lead to competition with these entities and could potentially result in a loss of business opportunity for our Company.
- Our Company has not paid any dividend in the past. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditure; and
- An inability to comply with repayment and other covenants in our financing agreements may lead to, among others, accelerated repayment schedules and enforcement of security, which may adversely affect our business, results of operations, financial condition, cash flows and credit rating.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the sections titled "**Risk Factors**" on page 17.

The forward-looking statements contained in this Letter of Offer are based on the beliefs of our Company's management, as well as the assumptions made by, and information currently available to, the management of our Company. Whilst our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Letter of Offer or the respective dates indicated in this Letter of Offer, and our Company undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated,

believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

In accordance with SEBI and Stock Exchange requirements, our Company will ensure that the Eligible Equity Shareholders are informed of material developments until the time of the grant of listing and trading permissions for the Rights Equity Shares by the Stock Exchanges.

SUMMARY OF THIS LETTER OF OFFER

The following is a general summary of certain disclosures included in this Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Letter of Offer, including, the “*Risk Factors*”, “*Capital Structure*”, “*Objects of the Issue*” and “*Financial Statements*” beginning on pages 17, 47, 50 and 67, respectively.

SUMMARY OF THE BUSINESS OF THE ISSUER

We are a technology-driven financial services company focused on discount broking, offering a comprehensive suite of investment and trading solutions through a robust online platform and mobile application. We are registered with SEBI as a stockbroker and depository participant. Additionally, we are acknowledged by AMFI as a mutual fund distributor. Our services span the capital markets, futures and options, currency derivatives segments, commodity derivatives and we distribute mutual funds and IPOs with memberships across leading Indian stock exchanges. We are also a depository participant, enabling seamless and integrated access to trading and demat services.

As a discount broker, we follow a flat brokerage structure model by charging a uniform fee per order across transactions. This pricing approach and our technology infrastructure helps reduce friction and improve cost efficiency for investors. Our platform is built with focus on innovation and user experience. The key features of our platform include completely paperless account opening, real-time market data and insights, advanced charting and analytics tools, seamless fund transfers and margin/MTF access, and an intuitive, mobile-first interface enabling fast, secure, and frictionless order execution across asset classes.

INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTER AND PROMOTER GROUP WITH RESPECT TO (I) THEIR RIGHTS ENTITLEMENT; AND (II) THEIR INTENTION TO SUBSCRIBE OVER AND ABOVE THEIR RIGHTS ENTITLEMENT

Our Promoters and members of the Promoter Group have confirmed that in relation to the Issue, they intend to and reserve the right to either: (i)(a) subscribe to the full extent of the Equity Shares that they are entitled to in the Issue in proportion to the number of Equity Shares held by them respectively as on the Record Date (“**Rights Entitlement**”) and not renounce their Rights Entitlement and (i)(b) subscribe to the full extent of the Rights Entitlement, if any, renounced within the Promoters and Promoter Group; or (ii) renounce any or all of their respective Rights Entitlements within the Promoters and Promoter Group, in each case to the extent that the aggregate shareholding of the Promoters and Promoter Group is compliant with the minimum public shareholding requirements under the Securities Contracts (Regulation) Rules, 1957 and the SEBI Listing Regulations. Further, subject to subscribing to the full extent of their respective Rights Entitlements as per (i)(a) above and such Rights Entitlements renounced within the Promoters and Promoter Group as per (i)(b) above, they have also agreed to subscribe to additional Equity Shares, if any, including any unsubscribed portion of the Issue, up to the total Issue size, subject to compliance with the SEBI Takeover Regulations and to the extent that the aggregate shareholding of the Promoters and Promoter Group is compliant with the minimum public shareholding requirements under the Securities Contracts (Regulation) Rules, 1957 and the SEBI Listing Regulations.

The acquisition of Rights Equity Shares in the Issue by our Promoters and members of our Promoter Group, shall be eligible for exemption from open offer requirements, subject to our Company meeting the pricing criteria and other conditions, if any in terms of Regulation 10(4)(a) and 10(4)(b) of the SEBI Takeover Regulations, and the subscription / renouncement by them as set out in para above shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations.

Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

ALLOCATION IN THE EVENT OF UNDER-SUBSCRIPTION

We do not intend to allot the under-subscribed portion of the Rights Equity Shares in this Issue to any Specific Investor(s).

DETAILS OF THE COMPANY, ITS PROMOTER OR DIRECTORS BEING A WILLFUL DEFAULTER OR A FRAUDULENT BORROWER

Neither our Company nor any of our Promoters or any of our Directors are or have been identified as a Wilful Defaulter or a Fraudulent Borrower as defined under the SEBI ICDR Regulations.

SUMMARY OF OUTSTANDING LITIGATION

As on the date of this Letter of Offer, neither our Company nor our Promoters or Directors have been issued any show cause notice(s) by SEBI or the Adjudicating Officer in a proceeding for imposition of penalty, nor have any prosecution proceedings been initiated against them by SEBI, which are outstanding.

A summary of outstanding legal proceedings involving our Company and our Subsidiaries as on the date of this Letter of Offer is set forth in the table below:

Name	Proceedings involving criminal liability	Tax proceedings	Proceedings before regulatory authorities involving violations of statutory regulations	Matters involving economic offences where proceedings have been initiated	Civil proceedings where the amount involved is equivalent to or in excess of the Materiality Threshold	Other pending matters which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position	Aggregate amount involved (₹in million)*
Company							
By our Company	1	-	1	-	NIL	NIL	29.46
Against our Company	Nil	3*	2	Nil	1	NIL	311.66
Subsidiaries							
By our Subsidiaries	Nil	-	Nil	-	Nil	Nil	Nil
Against our Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil	Nil

* Excludes the matter relating to the search operation conducted by the Income Tax Department in January 2025 at the premises of our Company. Our Company extended full cooperation to the Income Tax officials and provided all requisite information, documents, and clarifications as sought during the proceedings. Subsequently, our Company received a notice under Section 158BC of the Income Tax Act, 1961, dated October 6, 2025, directing us to file a revised return for the period from April 1, 2018 to February 3, 2025, and our Company has duly complied with the requirements of the said notice.

For further details regarding regulatory actions, inspections and proceedings involving our Company, see “Risk Factors – We are subject to extensive oversight and supervision by the Government and various regulatory authorities including SEBI, stock exchanges and clearing corporations. Any failure to comply with applicable regulatory requirements could result in regulatory action or proceedings. Any adverse action by such authorities, or an adverse outcome in proceedings involving us or our Promoters, could adversely affect our business, results of operations and financial condition.” on page 21.

OTHER CONFIRMATIONS

Our Company has been in compliance with the SEBI Listing Regulations, during the three years immediately preceding the date of this Letter of Offer.

SECTION II-RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all the information disclosed in this Letter of Offer, including the risks and uncertainties described below, before making an investment in the Rights Equity Shares. The risks described below are those that we consider to be most significant to our business, cash flows, results of operations and financial conditions as of the date of this Letter of Offer. However, they may not be exhaustive and are not the only risks relevant to us or Equity Shares or the industry in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also materially impair our business prospects, cash flows, results of operations and financial condition. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks mentioned below. If any or a combination of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business prospects, cash flows, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and you may lose all or part of the value of your investment.

Any potential Investor in the Rights Equity Shares should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to legal and regulatory environment which may differ significantly from that in other jurisdictions. In making an investment decision, prospective Investors must rely on their own examination of us and the terms of the Issue, including the merits and risks involved. Investors should consult their respective tax, financial and legal advisors about the particular consequences of an investment in this Issue. In order to obtain a complete understanding about us, investors should read this section in conjunction with “Summary of this Letter of Offer”, “Financial Statements” and “Financial Information”, on pages 15, 67 and 68, respectively, as well as the other financial information included in this Letter of Offer.

This Letter of Offer also contains certain forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer. For details, see “Forward Looking Statements” on page 13.

Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Unaudited Consolidated Financial Results and Audited Consolidated Financial Information included in this Letter of Offer. For further information, see “Financial Statements” and “Financial Information”, on pages 67 and 68, respectively. Our financial year ends on March 31 of each year, and references to a ‘Financial Year’ or ‘Fiscal’ or ‘Fiscal Year’ are to the twelve months ended March 31 of that year.

The Unaudited Consolidated Financial Results are not indicative of future operating results and are not comparable with the Audited Consolidated Financial Statements.

In this section, unless the context otherwise indicates or implies, “we”, “us” and “our” refer to our Company together with our Subsidiaries, and references to the “Company” are to Spaisa Capital Limited only.

INTERNAL RISK FACTORS

- 1. Any downturn or disruption in the securities markets, which are affected by general economic and market conditions in India and globally, may have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.***

We operate in the financial services industry in India where we conduct our business and generate majority of our revenues. We, and in particular, our stock broking, depository participant and mutual funds distribution businesses are, highly dependent on the securities market, which is significantly affected by global macroeconomic factors, and in particular, macroeconomic factors affecting India. The Indian equity markets are affected by a variety of factors including growth in India’s GDP, taxation, monetary and other policies of the Government of India, laws and regulations that affect trading, political measures and regulatory developments, and general political stability, inflation, interest rate levels, change in consumer spending and saving patterns such as a shift from one category of investment to another, currency exchange rates and foreign investment including perceived unattractiveness of the Indian markets.

Accordingly, a downturn in the Indian securities markets, persistent or short term, could adversely impact trading and investment patterns, result in decline in trading volumes and size, and, consequently, adversely impact our business, prospects, results of operations and financial condition. In addition, global factors such as global economic instability or recession, geopolitical tensions, war or hostilities, cybersecurity threats or attacks and other forms of disruption to or

curtailment of global communication could result in a macroeconomic downturn and have an adverse effect on the financial services industry in India and, consequently, on our business, results of operations and financial condition. Capital markets around the world are susceptible to macroeconomic risks such as pandemics and geo-political tensions. Similarly, India's capital market also witnessed high volatility during the COVID-19 pandemic, general elections in India, geo-political tensions between Russia-Ukraine, hostilities between Israel and Palestine/Lebanon/Iran. While we did not experience any material adverse impact on our business during the nine months ended December 31, 2025 and during Fiscal 2025 and Fiscal 2024 in relation to such instances, we cannot assure you that similar events will not adversely affect our business, results of operations and financial condition in the future.

2. A significant portion of our revenue from operations is derived from brokerage and related income, and any adverse developments specifically affecting our broking activities could materially and adversely affect our business, results of operations and cash flows.

A significant portion of our revenue from operations is derived from brokering and brokerage-related activities. Accordingly, our revenues are sensitive to factors that directly affect broking operations, including transaction volumes executed on behalf of clients, commission structures, fee rates, client trading behaviour, and our ability to retain and grow our active client base.

Our brokerage income is directly linked to client trading volumes, order frequency and the mix of transactions across segments. Any sustained decline in overall market activity, investor confidence or liquidity in the capital markets may adversely affect our brokerage revenues. During periods of subdued market conditions, investors may reduce fresh capital allocation and trading activity, leading to a decline in the number of active clients and lower turnover across delivery-based as well as intraday transactions. In the derivatives segment, reduced participation, lower leveraged positions and more cautious client trading behaviour may result in a decline in transaction volumes. Further, even during periods of elevated volatility, brokerage income may decline due to increased exchange and regulatory margin requirements, higher mark-to-market losses, tightened risk controls and reduced client capacity to trade.

Our brokerage income may also be impacted by factors such as changes in applicable regulations governing brokerage activities, margin requirements, transaction charges or levies, competitive pressures leading to pricing or commission compression, technological disruptions affecting trading platforms or order execution, operational failures, or the loss of key clients or intermediaries. Any such developments could result in a reduction in brokerage income, even in periods where overall securities market conditions are otherwise stable.

Set forth below is a summary of revenue from brokering operations, including as a percentage of our revenue from operations, for the Fiscals/periods indicated:

(₹ in million)

Particulars	Nine months ended December 31, 2025		Nine months ended December 31, 2024	
	Revenue	% of revenue from operations	Revenue	% of revenue from operations
Brokerage and related income	1,304.88	55.73%	1,717.75	59.58%
Revenue from operations	2,341.33	100.00%	2,883.00	100.00%

(₹ in million)

Particulars	Fiscal 2025		Fiscal 2024	
	Revenue	% of revenue from operations	Revenue	% of revenue from operations
Brokerage and related income	2,132.02	59.29%	2,387.74	60.51%
Revenue from operations	3,595.70	100.00%	3,945.71	100.00%

While we have not experienced any instances during the nine months ended December 31, 2025, and in Fiscal 2025 and Fiscal 2024 where there have been any activities materially and adversely affecting our brokerage and related income, business, results of operations and cash flows, any material decline in brokerage income, for any of the reasons described above, could lead to a reduction in our revenues and profitability, adversely impact our operating margins and cash flows, constrain our ability to invest in technology, infrastructure and client acquisition, and have a material adverse effect on our business, financial condition, results of operations and cash flows.

3. We face significant competition in our businesses, which may limit our growth, profitability and prospects.

We operate in the Indian financial services industry, which is fragmented and typified by low barriers to entry. Many of our competitors have greater financial resources, stronger brand recall, wider distribution reach, lower cost of capital, and more diversified operations, enabling aggressive investments in customer acquisition and innovation. These larger and better capitalized competitors may be better able to respond to changes in the industry in which we operate, compete for skilled professionals, fund internal growth, withstand adverse market conditions and compete for market share generally.

We compete with, amongst others, Indian and foreign brokerage houses, discount brokerage companies, fintech and digital-first platforms, public and private sector commercial banks, and asset managers. We compete on the basis of a number of factors, including pricing, technology capabilities, platform stability, product breadth, customer acquisition efficiency, distribution reach and service experience. Our business, financial condition, cash flows, results of operations and prospects may be materially and adversely affected if we are not able to maintain our market position, sustain our growth, develop new products or target new markets.

While we extensively use technology in our business, in recent times, the Indian financial services industry has been undergoing rapid advancements, including AI-driven advisory models, algorithmic tools, and automated customer engagement platforms, which may further intensify the competition. If we do not anticipate, innovate, keep pace with, and adapt to technological and other changes impacting the Indian financial services industry, it could harm our ability to compete in the market, decrease the attractiveness of our products to clients and materially and adversely affect our business, financial condition and results of operations.

4. Our revenue from operations and profit after tax have declined in recent periods, which may adversely affect our financial performance and prospects.

Our financial performance has experienced variability in recent periods. Our revenue from operations for the nine months ended December 31, 2025, and December 31, 2024, and for the Fiscal 2025 and Fiscal 2024, has fluctuated, and may continue to be subject to variability due to changes in market conditions, regulatory developments and client trading behaviour. Set out below are our revenues from operations for the periods/Fiscals indicated.

(₹ in million)

Particulars	Nine months ended December 31, 2025	Nine months ended December 31, 2024	Fiscal 2025	Fiscal 2024
Revenue from operations	2,341.33	2,883.00	3,595.70	3,945.71

As indicated above, our revenue from operations declined from ₹3,945.71 million in Fiscal 2024 to ₹3,595.70 million in Fiscal 2025. In addition, our revenue from operations for the nine months ended December 31, 2025, declined as compared to the nine months ended December 31, 2024.

Our revenues are dependent on multiple factors, including trading volumes, market volatility, retail investor participation, the regulatory environment, competitive intensity and overall macroeconomic conditions. Any adverse movement in one or more of these factors could result in a further decline in our revenues, margins and profitability.

Any sustained decline in our operating performance may adversely affect investor perception, the market price of our Equity Shares, and our ability to raise capital on favourable terms in the future, which could in turn have a material adverse effect on our business, financial condition and prospects.

5. Changing laws, rules and regulations may adversely affect our business, prospects, profitability and results of operations.

Our business operates in a highly regulated environment and is subject to oversight by regulatory and statutory authorities in India, including the Securities and Exchange Board of India and the stock exchanges. Changes in laws, regulations, circulars or regulatory interpretations applicable to stock brokers, trading platforms and market participants may require us to modify our products, fee structures, risk management frameworks or operating processes, and could adversely affect our business, financial condition and results of operations.

For instance, in Fiscal 2022, SEBI introduced a series of regulatory interventions aimed at strengthening market discipline, increasing capital adequacy, and curbing excessive speculation. These measures included, among others, a reduction in permissible intraday leverage, implementation of upfront/peak margin requirements, refinement in penalty structures, and

tighter norms around equity delivery sell transactions. Another structural change during this period was the move to peak margin / upfront margin collection, which required traders to maintain margin availability upfront at the time of order placement, as opposed to funding margin shortfalls by the end of the trading day. This reduced the ability of market participants to take broker-funded or under-margined positions and necessitated higher cash deployment upfront. Consequently, many retail traders faced constraints in building larger positions with limited capital. As a result, we experienced moderation in trading activity and volumes across certain segments, which had an impact on our brokerage income and overall revenues.

During Fiscal 2025, we were impacted by a combination of regulatory and macroeconomic factors. From a regulatory standpoint, SEBI introduced multiple reforms, including the revised derivatives framework pursuant to its circular titled “*Measures to Strengthen Equity Index Derivatives Framework for Increased Investor Protection and Market Stability*” dated October 1, 2024. These measures, effective November 20, 2024, increased the contract size of index derivatives and restricted the number of index derivative products eligible for weekly expiry. Further, SEBI’s circular dated October 1, 2024 titled “*Charges levied by Market Infrastructure Institutions – True to Label*” required fee structures to be aligned such that fees charged to clients do not exceed the actual charges imposed by market infrastructure institutions. Consequently, following these regulatory changes, our Company witnessed a decline in revenue from operations, PAT, number of orders, and new client acquisition in Fiscal 2025, as summarized in the table below.

Particulars	As at and for nine months ended December 31, 2025	As at and for nine months ended December 31, 2024	% of Changes (%)
Number of orders (in million)	65.23	125.14	(47.87)
Average daily turnover (in ₹ million)*	2,747,261.00	3,492,668.00	(21.34)
Active customers (in million)^	0.35	0.49	(28.58)
Revenue from operations (in ₹ million)	2,341.33	2,883.00	(18.79)
PAT (in ₹ million)	333.30	581.67	(42.70)
New customer acquisitions (in thousands)	252.48	507.29	(50.30)

Notes:

* Average daily turnover includes turnover in cash and futures, and notional turnover in options

^ Active customers are based on NSE data, as at the relevant date

Particulars	Fiscal 2025	Fiscal 2024	% of Changes (%)
Number of orders (in million)	146.91	184.27	(20.27)
Average daily turnover (in ₹ million)*	3,111,291.00	3,500,836.00	(11.13)
Active customers (in million)^	0.42	0.55	(23.05)
Revenue from operations (in ₹ million)	3,595.70	3,945.71	(8.87)
PAT (in ₹ million)	682.34	544.41	25.34
New customer acquisitions (in thousands)	597.97	742.38	(19.41)

Notes:

* Average daily turnover includes turnover in cash and futures, and notional turnover in options

^ Active customers are based on NSE data, as at the relevant date

Future regulatory changes, including further restrictions on product offerings, pricing, leverage, margin requirements, client onboarding processes or participation by retail investors, could similarly affect trading volumes, user engagement, revenue streams and profitability. Our inability to anticipate, adapt to or absorb the impact of such regulatory changes in a timely and cost-effective manner could have a material adverse effect on our business, results of operations, cash flows and prospects.

6. We rely on Indian stock exchanges and clearing corporations for the operation of our brokerage business, and any disruption affecting such entities or our access to them could adversely affect our business.

Our brokerage business is dependent on Indian stock exchanges, including BSE Limited and National Stock Exchange of India Limited, as well as Multi Commodity Exchange of India Limited (“MCX”). We are also dependent on the relevant depository (s) and clearing corporations, for the execution, clearing and settlement of all transactions on behalf of our clients, including through margining, risk management and settlement mechanisms. Our electronic brokerage platform and systems for retail brokerage clients are integrated with such exchanges, other market infrastructure intermediaries (MIIs) and all orders placed by our clients are routed, executed and settled through these entities. Any disruption, suspension, system failure, cyber incident, regulatory action affecting the stock exchanges, depository(s) or clearing corporations, or any interruption or degradation in our connectivity or access to their infrastructure, could materially and adversely affect our ability to execute client trades and provide uninterrupted brokerage services.

The functioning of stock exchanges and clearing corporations is subject to oversight and regulation by regulatory authorities. Any regulatory action, direction, restriction or suspension imposed on a stock exchange or clearing

corporation, or any failure or inability of such entities to operate in the ordinary course, could disrupt trading, clearing or settlement activities. Further, any suspension, termination or material restriction of our access to exchange or clearing infrastructure, for any reason, would prevent us from executing client transactions during the relevant period.

While we have not experienced any material adverse impact on our business or results of operations during the nine months ended December 31, 2025 and during Fiscal 2025 and Fiscal 2024 arising from disruptions at any Indian stock exchange or clearing corporation, we cannot assure you that similar events will not occur in the future or will not adversely affect our business, results of operations, financial condition or prospects.

If our access to any stock exchange or clearing corporation is suspended, terminated or materially restricted, we would be unable to execute client transactions during the relevant period, which could materially and adversely affect our brokerage revenues, customer relationships, business operations, financial condition and results of operations.

7. *We are subject to extensive oversight and supervision by the Government and various regulatory authorities including SEBI, stock exchanges and clearing corporations. Any failure to comply with applicable regulatory requirements could result in regulatory action or proceedings. Any adverse action by such authorities, or an adverse outcome in proceedings involving us or our Promoters, could adversely affect our business, results of operations and financial condition.*

We are subject to oversight, supervision and monitoring by the Government and various regulatory authorities including SEBI, stock exchanges and clearing corporations in relation to our brokerage and allied activities. Such oversight includes ongoing compliance obligations, reporting requirements, periodic inspections, audits, inquiries and supervisory reviews, as well as adherence to codes of conduct, operational guidelines and prescribed standards applicable to registered intermediaries in the securities market.

Regulatory authorities have broad powers to conduct inspections, seek information, issue directions and initiate enforcement or adjudication proceedings in respect of regulated entities. Inspections or supervisory reviews may result in observations, directions, warnings, enhanced compliance requirements or other remedial measures, and in certain cases, regulatory authorities may impose monetary penalties, require disgorgement, restrict or suspend specific activities, or initiate other enforcement actions. The outcome of such regulatory processes may not always be predictable and could require us to incur significant costs, dedicate substantial management time and resources, or implement changes to our systems, processes or business practices.

In the past, we have received certain show cause notices, inspection observations and other regulatory communications from SEBI and stock exchanges in the ordinary course of business. For instance, pursuant to inspection observations relating to certain compliance and operational matters identified during regulatory inspections, including observations on adherence to applicable SEBI circulars, operational processes and supervisory controls, SEBI imposed monetary penalties in Fiscal 2023 and Fiscal 2025, which have been duly paid and the relevant orders complied with. SEBI has also imposed a monetary penalty in Fiscal 2025 in connection with observations relating to the updation of Unique Client Code data, which has been duly paid and the order has been complied with. Further, pursuant to a routine inspection by NSE, a monetary penalty was imposed in Fiscal 2022 in connection with certain compliance deficiencies in our broking operations, which has been duly paid and complied with. While such matters, including the imposition of penalties, have not had any material adverse effect on our business, results of operations or financial condition to date, there can be no assurance that similar regulatory matters or any future penalties will not materially and adversely affect our business, results of operations, financial condition and prospects.

In addition, certain regulatory proceedings remain pending against our Company, namely (i) a show cause notice issued by NSE in July 2025 relating to certain client transactions, and (ii) proceedings arising from an MCX inspection order dated July 2024, which is currently under appeal before the Securities Appellate Tribunal.

Further, as on the date of this Letter of Offer, proceedings in respect of certain of our Promoters remain pending. One such proceeding relates to a first information report dated September 30, 2013 (“**Complaint**”) lodged by Pankaj Saraf, an investor in National Spot Exchange Limited (“**NSEL**”), at the MRA Marg Police Station, Mumbai, against NSEL and other brokers, including IIFL Commodities Limited (“**ICL**”), alleging *inter alia*, criminal conspiracy, fraud and criminal breach of trust. In this matter, Economic Offences Wing, Mumbai, filed its final chargesheet on December 2, 2022. Subsequently, NSEL and Arvind Bahl, one of the clients of ICL, moved an application to implead one of our Promoters, Nirmal Bhanwarlal Jain, in his capacity as a former director of ICL, along with certain other individuals as accused. Against the said order, our Promoter, Nirmal Bhanwarlal Jain, filed an appeal before the Bombay High Court. The Bombay High Court granted a stay against the said order. The matter is currently pending. Separately, our Company has received a notice advising compliance with the Securities and Exchange Board of India (Intermediaries) Regulations,

2008 in relation to the “fit and proper criteria”. The constitutional validity of Schedule II of Securities and Exchange Board of India (Intermediaries) Regulations, 2008, as mentioned in the said notice has been challenged before the Bombay High Court and is presently pending.

While such regulatory actions are part of the regulatory framework applicable to securities market intermediaries, there can be no assurance that similar or other regulatory actions will not be initiated against us in the future. Any adverse outcome in the matters involving our Company or Promoters, or in any future proceedings involving them, may result in penalties, regulatory restrictions, reputational impact or other liabilities and could materially and adversely affect our business, results of operations, financial condition and prospects.

We are required to maintain effective internal controls, compliance systems and risk management frameworks to ensure adherence to applicable laws, regulations, circulars and directions. However, given the breadth and complexity of regulatory requirements applicable to securities market intermediaries, there can be no assurance that our compliance systems and controls will be sufficient to prevent or detect all instances of non-compliance, or that regulatory authorities will not take a view adverse to us in respect of any matter.

Any actual or alleged failure to comply with applicable regulatory requirements, or any adverse regulatory action, could result in monetary penalties, increased compliance obligations, restrictions on our business activities, suspension of certain operations, reputational harm or other regulatory consequences, which could materially and adversely affect our business, results of operations, financial condition and prospects.

8. *One of our Group Companies and some of our promoters are associated with companies which operate in a similar line of business as our Company, which may lead to competition with these entities and could potentially result in a loss of business opportunity for our Company.*

IIFL Capital Services Limited, one of our Group Companies, operates as a full-service stock broker and is engaged in business activities that are similar to, and may overlap with, certain aspects of our business. While our Company primarily operates as a discount broker offering technology-driven brokerage services, IIFL Capital Services Limited provides a broader range of brokerage and related financial services, including advisory, research, market commentary, etc. Notwithstanding the differences in business models, both entities operate in the securities broking and capital markets ecosystem and may compete, directly or indirectly, for clients, distribution channels, brand positioning, market opportunities, strategic alliances and skilled personnel.

Further, Nirmal Bhanwarlal Jain and Venkataraman Rajamani, each of whom is an individual Promoter of our Company, are also promoters of IIFL Capital Services Limited. Accordingly, our Promoters may have economic interests in entities that compete with us. The involvement of our Promoters and Group Company in businesses that are similar to ours may give rise to actual or potential conflicts of interest. Our Promoters may, in certain circumstances, be required to balance competing interests between our Company and other entities in which they have an interest. Although our Company is professionally managed and subject to applicable corporate governance norms, there can be no assurance that conflicts of interest will always be resolved in our favour or in the favour of our Shareholders.

While we have mechanisms in place, including corporate governance frameworks, internal controls and policies to manage potential conflicts of interest and competition with our Group Company and entities promoted by our Promoters, there can be no assurance that such mechanisms will be effective in all circumstances or that conflicts of interest will always be resolved in our favour. Any failure to effectively manage such conflicts of interest, or any competition from such Group Company or entities promoted by our Promoters, may adversely affect our business, financial condition, results of operations and prospects.

9. *Our Company has not paid any dividend in the past. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditure.*

Our Company has not declared or paid any dividends on its equity shares in the past. The declaration and payment of dividends in the future, if any, is subject to the discretion of our Board, our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors as may be considered relevant by our Board. Further, the declaration and payment of dividends will be subject to compliance with the provisions of the Companies Act, 2013 and other applicable laws and regulations, and the availability of distributable profits and reserves.

There can be no assurance as to whether our Company will pay a dividend in the future and if so the level of such future dividends. Accordingly, investors may have to rely primarily on capital appreciation of our equity shares for any return on their investment. Our decision to retain earnings for future growth, regulatory compliance or other business purposes

may also limit our ability to pay dividends, which could adversely affect the returns to our shareholders.

10. *An inability to comply with repayment and other covenants in our financing agreements may lead to, among others, accelerated repayment schedules and enforcement of security, which may adversely affect our business, results of operations, financial condition, cash flows and credit rating.*

We have entered into agreements for our borrowings with certain lenders. As at February 15, 2026, our aggregate outstanding borrowings amounted to ₹ 3,326.45 million. These borrowings include secured fund-based facilities, along with unsecured loans. Our financing agreements governing our borrowings include conditions and restrictive covenants that require us to obtain consents, no-objections or waivers from lenders prior to carrying out specified activities or entering into certain transactions. Such restrictive covenants include but are not limited to, requirements that we obtain consent from the lenders prior to undertaking certain matters including altering our capital structure, effecting any scheme of amalgamation or reconstitution, restructuring or changing the management and repayment, prepayment and/or redemption of various borrowing facilities availed by the Company. Our Company has obtained necessary consents from our lenders as required under our loan/financing documentation, for undertaking the Issue and related actions.

Further, these debt obligations are typically secured by a combination of security interests. We are required to create charge over our present and future current assets and furnish guarantees. The security allows our lenders to *inter alia* sell the relevant assets in the event of our default. Further, our financing agreements also stipulate *inter alia* financial covenants required to be maintained by us during the duration of the facilities. Any inability to comply with repayment and other covenants in our financing agreements could adversely affect our business, financial condition, cash flows and credit rating. While our lenders have not enforced any event of default remedies, there can be no assurance that they will not enforce the event of default clauses forming part of our borrowing arrangements and recall the loans and/or facilities advanced to us in the future. Further, any fluctuations in the interest rates may directly impact the interest costs of such loans and could adversely affect our financial condition.

While we have not experienced any instances of any events or defaults involving non-compliance with repayment obligations or other covenants under our financing agreements that resulted in acceleration of repayment schedules or enforcement of security, during the nine months ended December 31, 2025, and in Fiscal 2025 and Fiscal 2024. However, any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to the termination of one or more of our credit facilities, default, acceleration of amounts due under such facilities and cross-defaults under certain of our other financing agreements, any of which may adversely affect our ability to conduct our business and have a material adverse effect on our financial condition and results of operations.

11. *The operation of our businesses is highly dependent on information technology, and we are subject to risks arising from any failure of, or inadequacies in, our IT systems.*

Our operations rely heavily on the effectiveness of our IT systems and their ability to record and process accurately a large number of transactions on a daily basis and in a timely manner. A prolonged disruption of, or failure of, our information processing or communications systems would limit our ability to process transactions. This would impair our ability to service our clients and execute trades on behalf of clients, which could materially and adversely affect our competitiveness, financial condition, cash flows and results of operations. Our system for processing securities transactions is automated, and we rely heavily on the ability of our trading system to handle a large number of transactions. While we regularly monitor and upgrade the capacity of our trading system, in anticipation of high volumes of transactions, we cannot assure you that we will be able to process all trading orders at a time of increased demand, including due to increased market volatility. If we are unable to efficiently process all trading orders received, we may lose clients, become subject to client complaints, litigation or regulatory action, face financial losses and this may adversely affect our reputation.

Although we regularly back up our business data and our infrastructure is hosted on a combination of cloud-based and on-premises systems, we cannot assure you that there will not be any unforeseen circumstance or that our disaster recovery planning is adequate for all eventualities. We also depend on third-party service providers and cloud infrastructure vendors for certain critical technology functions, and any failure, disruption or termination of services by such vendors could adversely affect our operations.

The financial services industry is characterized by changing technology and the future success of our business will depend in part on our ability to effectively adapt to technological advances and to emerging industry standards and practices on a cost-effective basis. We rely heavily on our electronic brokerage platform and mobile app to provide a wide range of brokerage and distribution services. If we are unable to keep up with technological changes while our competitors invest

in improved or better technologies, they may be able to offer clients better products and user experience. If we are unable to effectively compete on IT-enabled offerings, it could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

Our technology operations are also vulnerable to disruptions from human error, catastrophic events including natural disasters, lack of capacity during peak trading times or times of unusual market volatility, power failure, computer viruses, spam attacks, ransomware, distributed denial of services attacks, unauthorized access, data leakage and other similar events. An external information security breach, such as hacker attacks, frauds, virus or worm infestation of our IT systems, or an internal problem with information protection, such as failure to control access to sensitive systems, could materially interrupt our business operations or cause disclosure or modification of sensitive or confidential information. Disruptions to, or instability of, our technology or external technology, or failure to timely upgrade our online or mobile brokerage platforms could harm our business, reputation and prospects. Any material failure, breach or inadequacy in our IT systems may also result in regulatory scrutiny, investigations, directions, penalties or restrictions by SEBI, stock exchanges or other authorities, and could require us to incur significant costs to remediate such issues.

The proper functioning of our internet-based trading system, order routing system, back-office systems, settlement system, risk management system, together with the communications networks linking our IT systems with relevant exchanges and client interfaces, is critical to our business and our ability to compete effectively. Our business activities would be materially disrupted in the event of a partial or complete failure of any of these IT systems, communication networks or their backup systems and procedures. While we have not experienced any material adverse impact on our business, results of operations or financial condition during the nine months ended December 31, 2025, Fiscal 2025 and Fiscal 2024 or arising from any material failure, disruption or breach of our information technology systems, we have experienced technical glitches in our trading systems during these periods. Although such incidents were not material, we cannot assure that similar failures, disruptions or security incidents will not occur in the future or that they will not adversely affect our business, results of operations, financial condition or prospects.

12. *A decline in active retail investor participation or trading activity could materially and adversely affect our revenues, profitability and growth.*

Our business operates on a predominantly retail-focused brokerage model and derives a significant portion of its brokerage and allied income from a large and diversified retail client base across trading segments. Retail clients constituted 100.00% of our total active client base during the nine months ended December 31, 2025, nine months ended December 31, 2024 and during Fiscal 2025 and Fiscal 2024.

The number of active retail clients declined from 489,966 as at December 31, 2024 to 349,926 as at December 31, 2025, and our brokerage and related income declined from ₹1,717.75 million for the nine months ended December 31, 2024 to ₹1,304.88 million for the nine months ended December 31, 2025. Further, the number of active retail clients declined from 549,047 as at March 31, 2024 to 422,518 as at March 31, 2025, representing a decrease of 23.05% year-on-year. Correspondingly, our brokerage and related income declined from ₹2,387.74 million in Fiscal 2024 to ₹2,132.02 million in Fiscal 2025, representing a decrease of 10.71% during the same period. The decline in our active retail client base and brokerage income during the nine months ended December 31, 2025 and Fiscal 2025 was primarily attributable to reduced trading activity in the derivatives segment following regulatory changes relating to margin requirements, contract sizing and product eligibility, along with broader macroeconomic factors. For details, see “- *Changing laws, rules and regulations may adversely affect our business, prospects, profitability and results of operations.*” on page 19.

Retail investor participation is sensitive to market volatility, macroeconomic conditions, regulatory changes, interest rate movements, geopolitical developments and overall investor sentiment. Any sustained decline in retail participation, reduction in trading activity, shift towards alternative investment products, or loss of confidence in equity markets may adversely affect transaction volumes on our platforms. Further, retail investors are generally more sensitive to brokerage rates, service quality, platform reliability, technological performance and ease of use. Increased competition from discount brokers, fintech platforms and digital investment platforms may result in reduced client engagement, higher attrition rates or increased customer acquisition costs.

Further, as we do not service institutional or other non-retail participants, our revenues are substantially dependent on retail investor participation. Accordingly, any inability on our part to maintain or expand our retail client base, or any sustained decline in retail participation in the capital markets, could adversely affect our brokerage revenues, distribution income, client acquisition metrics and overall profitability.

13. *There are operational risks associated with the financial services industry which, if they materialise, may have an adverse effect on our business, financial condition, cash flows, results of operations and prospects.*

We face various operational risks related to our business operations in the financial services industry, such as:

- human and systems errors, including errors in confirmation, trade execution, entry or settlement of transactions arising from the complexity and high volume of transactions and the large quantum of funds handled on behalf of our customers;
- limitations in our risk assessment methodologies, which rely in part on historical market behaviour, statistical models and regulatory frameworks and may not adequately predict emerging risks or unprecedented market conditions;
- inadvertent deviations from defined internal processes or control procedures, including errors arising from manual intervention or oversight;
- dependence on third-party service providers, outsourcing partners, vendors and intermediaries for certain operational, verification, settlement and support functions;
- inability to manage operational risks arising from high transaction volumes, rapid client growth, market volatility or settlement pressures;
- failure or malfunction of our risk management systems, including due to incorrect, inadequate or improperly calibrated algorithms, models or automated controls;
- failure to implement sufficient information security, including cyber-security, and controls;
- failure to maintain appropriate deposits with exchanges;
- damage to physical assets;
- inadequate due diligence in the sales process, including in client verification, non-adherence to anti-money laundering guidelines, KYC processes and client needs analysis; and
- failure to comply with other applicable laws, regulations, accounting norms or regulatory policies, including as a result of the adoption of widely followed market practices.

If any of the foregoing were to occur, it could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects. We have established a system of risk management and internal controls consisting of an organizational risk management framework, policies, risk management system tools and procedures that we consider to be appropriate for our business operations. However, due to the inherent limitations in the design and implementation of risk management systems, including internal controls, risk identification and evaluation, effectiveness of risk control and information communication, our risk management systems and mitigation strategies may not be adequate or effective in identifying or mitigating our risk exposure in all market environments or against all types of risks in a timely manner, or at all. Further, we may not be able to completely avoid the occurrence of or timely detect any operational failure.

We also face the risk of regulatory penalties in our brokerage business from the exchanges or regulators for failures of routine operational processes. We may not be able to fully appreciate or identify operational risks related to the new products, services or solutions introduced by us from time to time. Accordingly, any risk management measures or controls implemented by us for such new products, services or solutions may not be adequate and we may be subject to liabilities arising therefrom. Further, any failure to change our risk management measures and controls to our developing business in a timely manner could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects. While we have not experienced any material adverse impact on our business, financial condition, results of operations or cash flows during the nine months ended December 31, 2025 and during Fiscal 2025 and Fiscal 2024 as a result of the operational risks described above, we cannot assure you that similar operational failures, deficiencies or lapses will not occur in the future or will not adversely affect our business, financial condition, results of operations or prospects.

14. *Pricing and other competitive pressures may adversely affect the revenues, margins and profitability of our brokerage business.*

We derive a significant portion of our revenues from our brokerage business. Along with other brokerage firms, we have experienced intense competition in this business, particularly from discount brokers, fintech platforms and digital-first intermediaries and we expect this trend towards alternative trading systems to continue. Though we believe we are competitive with our pricing, we may face competition in the future with new entrants adopting low-cost or zero-brokerage pricing models to capture market share. In addition, we face pressure from our larger competitors, who may be better able to offer a broader range of complementary products and services to brokerage clients in order to win their trading business. Such competitors may also have greater financial resources to sustain prolonged periods of low pricing.

Our business model is dependent on achieving and maintaining high transaction volumes to sustain revenues and profitability. Any decline in trading volumes, client activity or market participation, or our inability to scale volumes in line with pricing pressures, could adversely affect our revenues and margins.

We are unable to ascertain the likely impact of such competitive pressures on our results and operations. Further, any increase in regulatory levies, transaction charges, exchange fees or compliance-related costs may further constrain our ability to competitively price our services. If we are unable to compete effectively with our competitors in these areas, brokerage revenues may decline and our business, financial condition and results of operations may be adversely affected.

15. Our growth will depend on our ability to develop and maintain our brand and failure to do so will have a negative impact on our ability to compete in the industry.

We believe that the brand ‘5paisa’ we have developed has over the years, significantly contributed to the success of our business. We believe that we need to continuously build our brand, particularly in our business of financial services. Promoting and positioning our brand will depend largely on the success of our marketing efforts, including digital marketing, social media presence, online reviews and customer feedback and our ability to provide high quality and reliable services. Any service disruptions, regulatory actions, negative publicity, customer grievances or adverse media coverage may adversely affect our brand perception and customer trust, which could impact our ability to acquire and retain clients.

Brand promotion activities may not yield increased revenues in the immediate future but would help establish our brand value and brand recall in the long term. Even if brand promotion helps in increasing revenue, it may not offset the expenses we incur in building and maintaining our brand. While we have not experienced any instances during the nine months ended December 31, 2025, and in Fiscal 2025 and Fiscal 2024 where there have been any activities that have had negative impact on our ability to compete in the industry, however, if we fail to promote and maintain our brand, our business, financial condition and results of operations could be adversely affected.

16. We rely on third-party technology, infrastructure and service providers, including a limited number of key vendors, and any disruption in their services could adversely affect our platform, operations and financial performance.

Our business is technology-driven and depends on third-party vendors for critical services including data centre hosting, cloud infrastructure, cybersecurity services, software support, communication services, content delivery, and other technology-related services. Our ability to provide uninterrupted trading access, maintain system performance, safeguard customer data and comply with regulatory requirements depends on the reliability and continuity of services provided by such vendors. Any interruption, degradation or discontinuation of services by such vendors, whether due to operational failures, contractual issues or external factors, could adversely affect our transaction processing, platform availability and customer servicing.

A portion of our technology and infrastructure expenditure is concentrated among a limited number of vendors. The table below sets forth, for the periods indicated, our expenditure attributable to our top vendor, top five vendors and top ten vendors.

Particulars	Nine months ended December 31, 2025		Nine months ended December 31, 2024	
	Amount (₹ in million)	% of other operating expenses	Amount (₹ in million)	% of other operating expenses
Cost attributable to largest vendor	109.01	11.85%	142.38	11.22%
Cost attributable to five largest vendors	279.99	30.43%	312.62	24.63%
Cost attributable to ten largest vendors	348.62	37.89%	353.50	27.85%
Cost attributable to other vendors	571.49	62.11%	915.84	72.15%
Total other operating expenses	920.11	100.00%	1,269.34	100.00%

Particulars	Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of other operating expenses	Amount (₹ in million)	% of other operating expenses
Cost attributable to largest vendor	192.41	13.34%	160.98	8.36%
Cost attributable to five largest vendors	420.75	29.18%	315.71	16.39%

Particulars	Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of other operating expenses	Amount (₹ in million)	% of other operating expenses
Cost attributable to ten largest vendors	479.19	33.23%	359.34	18.65%
Cost attributable to other vendors	962.68	66.77%	1,567.19	81.35%
Total other operating expenses	1,441.87	100.00%	1,926.53	100.00%

Our agreements with these vendors are typically entered into in the ordinary course of business and may be subject to renewal, pricing revisions, service-level commitments or termination provisions. Any disruption in services provided by one or more of these vendors including due to system outages, cybersecurity incidents, infrastructure failures, contractual disputes, capacity constraints, financial distress, regulatory actions or non-renewal of contracts could adversely affect the availability, reliability or performance of our trading platform and technology infrastructure. While we have not experienced any material adverse impact on our business, financial condition, results of operations or cash flows during the nine months ended December 31, 2025 and during Fiscal 2025 and Fiscal 2024 or arising from disruptions in services provided by our third-party technology or infrastructure vendors, we cannot assure you that such disruptions will not occur in the future.

Certain services, such as data centre hosting, cloud infrastructure, cybersecurity monitoring and software support, require specialised capabilities and certifications. Alternate vendors may not be readily available or could require time for migration, integration, testing or regulatory validation. Transitioning to alternate vendors could also involve higher costs, operational disruptions or temporary service degradation.

Further, increases in vendor pricing, changes in licensing models, bandwidth costs, or infrastructure charges could increase our operating expenses. Any prolonged disruption or failure in third-party services may lead to system downtime, delayed order execution, loss of customer confidence, regulatory scrutiny or financial liabilities.

17. We require certain statutory and regulatory approvals for conducting our business and our failure to obtain, retain or renew them in a timely manner, or at all, may adversely affect our operations.

Our business requires us to obtain and renew from time to time, certain approvals, licenses, registrations and permits. In addition, we require certain approvals, licenses, registrations and permissions under various regulations, guidelines, circulars and statutes regulated by authorities such as SEBI, the Stock Exchanges and certain other regulatory and government authorities, for operating our business. In particular, we are required to obtain a certificate of registration for carrying on certain of our business activities from SEBI and other such regulatory authorities. We are also subject to periodic inspections, audits, examinations and surveillance by SEBI, stock exchanges and other regulatory authorities.

Government and regulatory licenses and approvals may also be tied to conditions, some of which may be onerous to us and require substantial expenditures. Further, regulatory requirements, compliance standards and supervisory practices are subject to change from time to time, which may increase our compliance costs and operational burden. Certain approvals and registrations may also be granted subject to conditions, restrictions or limitations, which could affect the manner in which we conduct our business. There is no assurance in the future that the licenses, approvals and permits applied for or held by us will be issued, approved or renewed in a prompt manner, or at all, under applicable law. Our failure to renew or obtain such licenses and approvals in a timely manner, or at all, and comply with the provisions of the applicable laws and regulations could lead to suspension or cancellation of our registration or imposition of sanctions by the relevant authorities, including penalties.

If we are unable to make applications and renew or obtain necessary permits, licenses and approvals on applicable terms, in a timely manner, at a reasonable cost, or at all, it could materially and adversely affect our financial condition and results of operations.

18. We do not own the “5paisa” trade mark, and any inability to continue using such trade mark or to protect our trade mark rights could adversely affect our business and reputation.

The trade mark “5paisa”, under which we primarily conduct our business and market our products and services, is owned by IIFL Facilities Services Limited, our group company. Our use of the “5paisa” trade mark is based on a no-objection certificate issued by the proprietor permitting us to continue using the trade mark, subject to applicable statutory and regulatory requirements. Such permission does not confer any ownership rights in the trade mark in our favour and may be subject to conditions or limitations.

Any withdrawal, modification or limitation of such permission, or any dispute relating to our right to use the “5paisa” trade mark, or any dispute relating thereto, could require us to rebrand our products and services or restrict our use of the trade mark, which could adversely affect our brand recognition, customer trust, business continuity and results of operations.

In addition, we own and have applied for registration of certain trade marks in our own name and have filed applications for registration of other trademarks. Certain of our trade mark applications are pending and/or have been objected to by the Trade Marks Registry or third parties. There can be no assurance that such applications will be successfully registered, or that objections raised will be resolved in our favour. Any failure to obtain, maintain or enforce registrations in respect of our trade marks may limit our ability to protect our intellectual property, prevent unauthorised use by third parties, or require us to modify or discontinue the use of certain trademarks.

Any loss of, limitation on, or dispute relating to our trademarks or our right to use the “5paisa” trade mark could adversely affect our brand value, customer perception, marketing efforts and competitive position, and may result in increased costs, loss of goodwill or diversion of management attention. Any such development could have a material adverse effect on our business, financial condition, results of operations and prospects.

19. *We depend on the accuracy and completeness of information about clients and counterparties for our business. Any misrepresentation, errors in or incompleteness of such information could adversely affect our business and financial performance including in relation to compliance with applicable know-your-customer (KYC), anti-money laundering (AML) and other regulatory requirements.*

We significantly rely on information furnished to us by, or on behalf of, our clients (including in relation to their financial transactions and past credit history) for various aspects of our business operations, such as new client enrolment and servicing our clients, including through digital onboarding processes, electronic KYC mechanisms and third-party verification systems. We may also rely on certain representations from our clients as to the accuracy and completeness of the information provided by them.

We may receive inaccurate or incomplete information as a result of negligence or fraudulent misrepresentation, identity theft, misuse of documents or deficiencies in third-party databases. Our risk management measures may not be adequate to prevent such activities or detect inaccuracies in such information in a timely manner, or at all, which may expose us to regulatory action or other risks, and may adversely affect our reputation, business prospects, financial condition and results of operations.

We may also be exposed to regulatory scrutiny, penalties or reputational harm if our clients or counterparties engage in fraudulent, manipulative, money laundering or other illegal activities through our platform, even if we are not directly involved in such activities. While we have not experienced any material adverse impact on our business, financial condition, results of operations or cash flows during the nine months ended December 31, 2025 and during Fiscal 2025 and Fiscal 2024 arising from inaccuracies, misrepresentations or incompleteness of client or counterparty information, we cannot assure you that similar issues will not occur in the future or will not adversely affect our business, results of operations, financial condition or prospects.

20. *The success of our business depends on our ability to attract and retain senior management and employees in critical roles, and the loss of their services could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.*

The success of our business depends on the continued service of our senior management and various professionals including information technology resources, relationship and finance professionals etc. As a result of ever-increasing market competition, the market demand and competition for experienced management personnel and qualified professionals has intensified. We encounter intense competition for qualified professionals from other companies in the financial services sector, including from fintech companies, technology platforms, start-ups and global financial services firms. Our Company invests significant time and money in training the professionals that are hired to perform the services provided to our customers. Our Company believes that there is also a significant competition in our industry among employers to attract these professionals with the skills necessary to perform the services we offer. The departure or other loss of our key professionals who manage substantial client relationships or who possess substantial experience and expertise could impair our ability to successfully carry out our operations. Our business and financial condition could suffer if we are unable to retain our senior management, or other qualified personnel, including finance, internal controls and information technology, or cannot adequately and timely replace them upon their departure.

The table below sets forth the attrition rate for our employees for the Fiscals/ periods indicated:

Particulars	Nine months ended December 31, 2025	Nine months ended December 31, 2024	Fiscal 2025	Fiscal 2024
Attrition rate ⁽¹⁾ %	10.00%	33.33%	22.22%	16.67%

Note:

'Attrition rate' is calculated as the number of employees who have resigned during the period/ year, divided by the sum of the number of employees at the beginning of the period/ year and the number of employees who joined during the period/ year.

Moreover, we may be required to substantially increase the number of our professionals and specialists in connection with any future growth plans, and we may face difficulties in doing so due to the competition in the financial services industry for such personnel. Our failure to attract, hire, retain or replace competent personnel could materially impair our ability to implement any plan for growth and expansion. Competition for qualified employees among business institutions may also require us to increase compensation, which would increase operating costs and reduce our profitability.

21. Our insurance coverage could prove inadequate to cover our losses. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our business, results of operations and financial condition.

We have stock brokers indemnity insurance which provides coverage against specified risks associated with our operations. We also maintain directors and officer's liability insurance which provides coverage in respect of personal liabilities that may be incurred by our directors and officers arising from wrongful acts committed in their managerial capacity.

Further, we also have a group health insurance policy and a term life insurance plan which provide uniform benefits to all our employees. We maintain insurance coverage of the type and in the amounts that we believe are commensurate with our business operations.

Our insurance policies may not provide adequate coverage in all circumstances and are subject to deductibles, exclusions and limits on coverage. Certain penalties, fines, regulatory actions or enforcement proceedings imposed by SEBI, stock exchanges or other authorities may not be covered under our insurance policies. In addition, there are certain risks and losses for which we do not maintain insurance, either because such risks are uninsurable or because insurance is not available on commercially acceptable terms, including risks arising from pandemics, public health emergencies, force majeure events or widespread market disruptions.

We cannot assure you that our current insurance policies will insure us fully against all risks and losses that may arise in the future. Even if such losses are insured, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. In addition, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, if at all. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects. While we have not experienced any material adverse impact on our business, financial condition, results of operations or cash flows during the nine months ended December 31, 2025 and during Fiscal 2025 and Fiscal 2024 arising from inadequacy of insurance coverage, denial or rejection of insurance claims, we cannot assure you that similar issues will not occur in the future or will not adversely affect our business, results of operations, financial condition or prospects.

22. All of our offices including our Registered and Corporate Offices, are held by us on lease or leave and license.

Our Registered and Corporate Office is not owned by us but is leased to us by our Group Company, IIFL Facilities Services Limited. Accordingly, we are dependent on our Group Company for continued access to this key office premise, and any dispute, change in control, termination or adverse development involving such Group Company may affect our occupancy arrangements. In addition, we do not own our offices at Bengaluru, Karnataka, and our other office in Thane, Maharashtra, from where we conduct our business operations and are leased to us by certain third parties.

Upon expiration of the term of the relevant agreement for each such premise, we will be required to negotiate the terms and conditions on which the lease agreement may be renewed. We cannot assure you that we will be able to renew these agreements on commercially reasonable terms in a timely manner, or at all. Termination of our leases may occur for reasons beyond our control, such as breaches of lease agreements by the lessors' of our premises which is detrimental to our operations and could also result in non-compliance with applicable regulatory requirements relating to business continuity and infrastructure. If we or our lessors breach the lease agreements, we may have to relocate to alternative premises or shut down our operations at that site, which may not be feasible within a short period of time and could

disrupt client servicing and internal operations.

Further, we may not be able to assess or identify all risks and liabilities associated with any properties, such as faulty or disputed title, unregistered encumbrances or adverse possession rights, improperly executed, unregistered or insufficiently stamped instruments, or other defects that we may not be aware of.

In the event that these existing leases are terminated, or they are not renewed on commercially acceptable terms or at all, we may suffer a disruption in our operations. If alternative premises are not available at the same or similar costs, size or locations, our business, financial condition and results of operations may be adversely affected.

23. *If any market commentary or analytical information disseminated by us contains errors or is perceived to be inaccurate, our business, financial condition and results of operations could be adversely affected.*

We provide our clients with access to market commentary, analytical tools and other investment-related information, either developed internally or sourced from third parties, through our digital platforms. While we endeavour to exercise reasonable care in the preparation and dissemination of such information, such content is based on assumptions, estimates and data obtained from sources that we believe to be reliable, but whose accuracy, adequacy or completeness cannot be assured. Industry and market data may be subject to differing methodologies, assumptions and interpretations, which may change over time due to factors beyond our control.

While we have not experienced any instances during the nine months ended December 31, 2025, and in Fiscal 2025 and Fiscal 2024 where there have been any events or developments wherein any market commentary or analytical information disseminated by the Company had an adverse impact on the business and operations of the Company. However, any errors, omissions or incorrect assumptions in such information, or any perceived reliance by clients on such content, could result in client complaints, disputes or regulatory scrutiny. Further, any allegation that our analytical tools or informational content was misleading or deficient could adversely affect our brokerage and distribution businesses, harm our reputation and subject us to regulatory action, which could materially and adversely affect our business, financial condition, cash flows and results of operations.

24. *We have experienced negative cash flows in the past and may continue to experience volatility in our cash flows in the future. If we experience insufficient cash flows to meet our settlement obligations, regulatory margin requirements, debt servicing or working capital needs, our business and results of operations could be adversely affected.*

We have in the past experienced, and may in the future experience, fluctuations or negative cash flows from operating activities. As a stock brokerage platform, our cash flow position may be affected by several factors, including changes in trading volumes, timing differences in settlement cycles, margin and deposit requirements with stock exchanges and clearing corporations, funding of margin trading facility positions, client pay-in and pay-out obligations, and investments in technology, infrastructure and customer acquisition. The following table sets forth certain information relating to our operating cash flows for the Fiscals indicated:

(in ₹ million)

Particulars	Fiscal 2025	Fiscal 2024
Net cash flow from/ (used in) operating activities	979.35	(916.85)

In periods of high market volatility or regulatory changes affecting leverage, derivatives trading or margin norms, we may be required to maintain higher regulatory deposits or working capital buffers, which may impact our operating cash flows. Further, delays in client settlements, increased funding requirements for margin trading, or investments in platform development and expansion could also result in short-term cash flow pressures.

Negative cash flows over extended periods, or significant short-term cash flow mismatches, could affect our ability to meet settlement obligations, service debt, maintain required regulatory deposits, or fund our growth initiatives. Any such constraints may adversely affect our liquidity position, business operations, financial condition and results of operations.

25. *We could be subject to claims by clients or regulatory action for alleged mis-selling of financial products.*

We distribute certain third-party financial products, including mutual funds and other financial products, primarily through our digital platforms and, to a limited extent, through employee-assisted channels. While we seek to ensure that product features, risks and regulatory disclosures are appropriately communicated to clients, there can be no assurance

that such disclosures or processes will always be deemed adequate by clients or regulators.

In certain circumstances, our platform-based tools, marketing materials, model portfolios, or communications by employees or authorised agents may be alleged to be misleading, incomplete or unsuitable for a client's risk profile or financial objectives. Any instance of alleged mis-selling, inappropriate product recommendation, or non-compliance with applicable regulatory requirements could result in customer complaints, regulatory inquiries, penalties, restrictions on our activities or reputational harm, which could materially and adversely affect our business, financial condition, cash flows and results of operations. While we have not experienced any material adverse impact on our business, financial condition, results of operations or cash flows during the nine months ended December 31, 2025 and during Fiscal 2025 and Fiscal 2024 arising from allegations of mis-selling, unsuitable product recommendations or related regulatory action, we cannot assure you that similar issues will not occur in the future or will not adversely affect our business, results of operations, financial condition or prospects.

26. *Our Company and Subsidiaries are involved in various litigations. An unfavorable outcome in any of these matters could negatively affect our business, operations, financial condition, and cash flows.*

There are outstanding legal proceedings involving our Company and our Subsidiaries. These proceedings are pending at levels of adjudication before various courts that have been filed by and against our Company. For further details please see “*Summary of this Letter of Offer - Summary of outstanding litigation and defaults*” on page 16. Further, from time to time, we receive notices and communications from tax authorities in relation to various matters, including certain matters that may be significant. We evaluate and contest such matters, where appropriate, based on the advice of legal and other professional advisors. While we believe that we have valid grounds to defend our positions, any unfavourable decision in these or other proceedings could have a material adverse effect on our business, financial condition, and results of operations.

Further, in the event that any summons or relevant case documents are served upon us, we cannot assure you that these matters will not result in any adverse findings, investigations, enquiries or any other legal actions against us and will not affect our business, results of operations or financial conditions.

We are, and may in the future be, party to other litigation and legal, tax and regulatory proceedings, the outcome of which may affect our business, results of operations, financial condition and prospects. There can be no assurance that we will be successful in any of these legal proceedings, and any adverse rulings could affect our business and financial condition, particularly if the disputed amounts are significant. Litigation may also deplete our financial resources. Changes in law or unfavourable regulatory decisions could lead to increased provisions and liabilities.

Further, we have in the past received show cause notices from SEBI and stock exchanges in the ordinary course of our business. For details, see “ - *We are subject to extensive oversight and supervision by the Government and various regulatory authorities including SEBI, stock exchanges and clearing corporations. Any failure to comply with applicable regulatory requirements could result in regulatory action or proceedings. Any adverse action by such authorities, or an adverse outcome in proceedings involving us or our Promoters, could adversely affect our business, results of operations and financial condition.*” on page 21.

27. *The objects for which we propose to utilize Net Issue proceeds are not appraised by any Bank or Financial Institution and our management will have flexibility in applying the Issue proceeds.*

The fund requirements and deployment are based on internal estimates of our management and have not been appraised by any bank or financial institution, or any independent external agency. Shareholders/investors shall rely on management's ability and experience to draw correct estimates considering the proposed business expansion. Non-appraisal of estimates by external agencies such as banks or financial institutions makes such estimates susceptible to change any time in future.

We intend to use the Issue proceeds in the manner as described in the section titled “*Objects of the Issue*” on page 50. Our funding requirements for the objects and deployment schedule are based on current conditions and are subject to change in light of external factors which may not be in our control. This may also include rescheduling the proposed utilization of issue proceeds at the discretion of our management. Our Company may make necessary changes to such utilization in conformity with the provisions of the Companies Act and SEBI ICDR Regulations in relation to the change in the objects of the issue, and such changes may also be subject to regulatory scrutiny.

Accordingly, shareholders/investors in the offer will need to rely on our management's judgment with respect to the use of proceeds. If we are unable to enter into arrangements for utilization of issue proceeds as expected in a timely manner, we may not be able to derive expected benefits from the proceeds of the issue and our business and financial results

may suffer. As per the SEBI ICDR Regulations, we are required to appoint a Monitoring Agency for the Issue which will monitor the utilization of Issue proceeds

28. *Any failure on our part to implement our business, expansion and growth strategies could cause disruptions to our business and could be detrimental to our long-term business outlook.*

The success of our business will depend largely on our ability to effectively implement our business and growth strategies, including technology upgrades, platform enhancements, product expansion and geographic outreach. Implementation of our strategies is subject to and involves risks and difficulties which may be beyond our control and accordingly, there can be no assurance that we will be able to implement them in a timely manner or at all. Any inability on our part to manage or implement our strategy effectively could have an adverse effect on our results of operations and financial condition. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational, financial and other controls, none of which can be assured. Further, we operate in a competitive industry and on account of changes in market conditions, industry dynamics, technological developments and any other relevant factors, our strategies may undergo substantial changes or modifications including limiting or foregoing growth opportunities, if any or we may not be able to execute our strategies in the future. Any misjudgement of market trends or business opportunities could also adversely affect our business prospects.

29. *We are exposed to the risk arising from misconduct, fraud and trading errors by our employees, authorised persons, agents and service providers.*

We are exposed to the risk arising from misconduct or fraud such as indulgence in unauthorized transactions by employees, misreporting of and non-compliance with various statutory and legal requirements, improper use of confidential information, including insider trading, market manipulation or front-running and operational or trading errors. It may not always be possible to deter employees from or otherwise prevent misconduct and the precautions we take to detect and prevent these activities may not always be effective due to human error, circumvention of controls or collusion. While we have not experienced any material adverse impact on our business, financial condition, results of operations or cash flows during the nine months ended December 31, 2025 and during Fiscal 2025 and Fiscal 2024 arising from employee misconduct, fraud, trading errors or improper use of confidential information, we cannot assure you that similar issues will not occur in the future or will not adversely affect our business, results of operations, financial condition or prospects.

While we have not experienced any instances arising from misconduct, fraud and trading errors by our employees, authorized persons, agents and service providers affect company's operations and financial position during the nine months ended December 31, 2025, and in Fiscal 2025 and Fiscal 2024, However, any instance of employee misconduct, fraud or improper use or disclosure of confidential information including instances of unauthorized or fraudulent securities transactions executed through our systems, could result in regulatory and legal proceedings which if unsuccessfully defended, could materially and adversely affect our business operations, future financial performance and/ or reputation.

30. *We have entered into, and will continue to enter into, related parties transactions.*

We are involved in, and we expect that we will continue to be involved in related party transactions with our Promoters, Promoter Group members and other related parties in the ordinary course of business.

In the ordinary course of our business, we enter into and will continue to enter into transactions with related parties subject to compliance with applicable laws. While we believe that all such related party transactions that we have entered into are conducted on an arm's length basis in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transactions and all related party transactions that we may enter are subject to Board or shareholder approval, as necessary under the Companies Act and the SEBI Listing Regulations, in the interest of the Company and its minority shareholders and in compliance with the SEBI Listing Regulations, however, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Accordingly, we cannot assure you that these arrangements in the future, or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. Further, any future transactions with our related parties could potentially involve conflicts of interest which may be detrimental to our Company. Additionally, there can be no assurance that any dispute that may arise between us and related parties will be resolved in our favour. There can be no assurance that our Directors and executive officers will be able to address such conflicts of interests or others in the future.

31. *We may extend credit to customers of our brokerage business for dealing in securities and any default by a customer coupled with a downturn in the market could result in substantial losses.*

Under our Company's standard terms governing our securities brokerage business, customers engaged in trading activity are required to maintain adequate margins and ensure clearance of funds or securities with us prior to initiating trades. While we generally require pre-funded trading, we also offer certain leveraged products and facilities, including margin trading facility, in accordance with applicable regulatory requirements. In connection with such activities, we may extend structured credit or permit customers to trade beyond their available collateral deposited with us, subject to applicable eligibility and margin criteria as per regulatory guidelines and our risk management policy, which could result in customer-level credit exposure in respect of executed trades and could expose us to liquidity risk.

In the event of volatile market conditions, sharp fluctuations in securities prices, systemic market stress or adverse economic developments, customers may not be able to honour their payment or margin obligations, which may result in losses that we may not be able to fully recover. Although we maintain technology-based risk management systems and internal policies for monitoring margins and positions on a real-time basis and for liquidation of collateral in specified circumstances, such systems and controls may not always function as intended, particularly during periods of extreme market volatility or operational stress.

Further, any failure or limitation of our risk management systems, delays in liquidation of collateral, operational errors, or regulatory restrictions on liquidation may exacerbate our exposure. Accordingly, if the financial markets witness a significant single-day decline, prolonged downturn or abnormal volatility, our business, financial condition, results of operations and cash flows could be materially and adversely affected.

While we take measures to manage customer credit exposure and margin-related risks through internal controls and risk management systems and have experienced no such instances during the nine months ended December 31, 2025, and in Fiscal 2025 and Fiscal 2024. However, there can be no assurance that such measures will be effective in all circumstances, particularly during periods of extreme market volatility or systemic stress.

32. *We are exposed to working capital risks, particularly during periods of elevated customer activity and market volatility. Any failure in arranging adequate working capital for our operations may adversely affect our business and reputation.*

Our business model involves managing a high volume of customer transactions, including trading and settlement activities, which require us to maintain sufficient working capital. Our model involves a time lag between when a customer initiates a fund transfer and when those funds are fully settled through netting and clearing mechanisms. During this interval, customers may execute multiple trades, increase our intraday exposure and thereby heighten working capital requirements. These risks are particularly pronounced during periods of elevated trading activity, such as market volatility or spikes in customer order volumes, when we may also face increased margin requirements imposed by clearing corporations or exchanges. If we are unable to access sufficient working capital on short notice, whether due to internal liquidity constraints, delays in customer fund flows, or lack of access to external funding, we may be required to restrict customer trading activity, delay settlements, or temporarily suspend certain services. While we have optimized our payment systems and transaction processes to reduce intraday exposure and manage working capital requirements and maintain processes to manage liquidity and working capital needs, including internal buffers and arrangements with financial partners, there can be no assurance that such measures will be sufficient in the event of all circumstances and our working capital needs may adversely affect our operations and reputation.

33. *Our expansion into new products, services and business segments may expose us to execution, regulatory and operational risks.*

As part of our growth strategy, we continue to expand and diversify our product and service offerings beyond core brokerage, including into areas such as margin trading facility and mutual fund distribution. These initiatives are intended to deepen customer engagement and diversify revenue streams; however, they involve execution risk, including product design, technology development, customer adoption and integration with our existing platforms.

Expansion into new offerings also requires incremental investments in technology infrastructure, skilled personnel, compliance systems and regulatory approvals, and may expose us to new and evolving regulatory requirements. We may face challenges in scaling such offerings efficiently, achieving anticipated levels of customer uptake, pricing such products competitively or managing operational, compliance and risk management frameworks associated with these businesses.

If we are unable to successfully execute, scale or manage our new initiatives, or if such offerings fail to achieve expected

commercial viability or regulatory acceptance, we could incur additional costs, financial losses or reputational harm, and our business, results of operations, financial condition and prospects could be materially and adversely affected.

While we continue to expand and diversify our product and service offerings, we have not experienced any material adverse regulatory or operational impact during the nine months ended December 31, 2025, and in Fiscal 2025 and Fiscal 2024 arising from such expansion. However, there can be no assurance that similar risks will not materialise in the future.

34. *Adverse publicity, customer grievances and negative digital media coverage may adversely affect our brand, customer trust and business prospects.*

Our business is highly dependent on customer trust, brand perception and the reliability of our digital platforms, given our predominantly online and retail-focused operating model. Customers increasingly rely on online reviews, social media platforms, app-store ratings and digital forums when selecting and continuing to use brokerage and investment platforms. Any adverse publicity, negative media coverage, customer grievances, regulatory observations or social media commentary relating to our services, platform performance, pricing, customer support or compliance, whether accurate or otherwise, could adversely affect our public perception.

From time to time, individual customer complaints could arise in relation to trading activity, order execution or platform functionality. For instance, in Fiscal 2025, we received a customer complaint alleging losses of ₹26.94 million arising from trading transactions on our platform. The matter was addressed through the applicable regulatory and conciliation process. While we do not believe that this incident has had any material adverse impact on our business, financial condition, results of operations or cash flows, we cannot assure you that similar issues will not occur in the future or will not adversely affect our business, results of operations, financial condition or prospects. We have not experienced any other material adverse impact on our business, financial condition, results of operations or cash flows during the nine months ended December 31, 2025 and during Fiscal 2025 and Fiscal 2024 arising from adverse publicity, customer grievances or negative digital media coverage.

Given the scale of our retail customer base and transaction-driven business model, reputational harm could lead to increased customer attrition, reduced trading activity, lower client acquisition rates and higher customer acquisition costs. In addition, adverse publicity may amplify the impact of isolated service disruptions, regulatory developments or customer complaints, particularly in digital and social media channels. Any such developments could materially and adversely affect our business, results of operations, financial condition and prospects.

35. *A substantial portion of our customer acquisition and engagement is driven through digital platforms and online channels, and any adverse changes in such channels may affect our growth and profitability.*

A significant portion of our customer acquisition, onboarding and ongoing engagement is driven through digital channels, including our mobile application, website, search engines, social media platforms and online advertising networks. A majority of our new client registrations are sourced through such digital platforms, making our growth and scalability highly dependent on the continued effectiveness and accessibility of these channels.

Changes in the policies, algorithms, pricing structures or business practices of digital platforms, including reductions in organic visibility, increased dependence on paid advertising, restrictions on data usage or targeting, or limitations on access to such platforms, could adversely affect our ability to acquire and engage customers in a cost-effective manner. In addition, increased competition for digital advertising inventory may result in higher customer acquisition costs, which could compress margins and reduce the efficiency of our growth strategy.

Any sustained decline in digital reach, effectiveness of online marketing channels or increase in customer acquisition costs could adversely affect our client growth, engagement levels, revenues, profitability and overall financial performance.

36. *We depend on digital application stores and third-party app marketplaces for the distribution and accessibility of our mobile applications.*

Our mobile applications are primarily distributed through digital application stores. These platforms are critical to our ability to reach and acquire customers. While we have not had any instances of our application being removed, delisted, or suspended from these platforms in the past, if our applications are removed, delisted, or suspended from these platforms, whether due to actual or alleged noncompliance with their terms and conditions, changes in their policies, technical issues, or the imposition of unfavourable commercial terms, it could materially impair our ability to offer our products and services through mobile channels. Such an event may result in our inability to effectively reach, engage, or expand our customer base, restrict our access to new users, and adversely impact our brand visibility, marketing efforts,

and growth strategy. Moreover, our inability to restore access to these distribution channels in a timely manner, or to secure alternate and equally effective means of distribution, could have a material adverse effect on our business, financial condition, cash flows, and results of operations.

37. *Security breaches or cybersecurity incidents involving customers' confidential information that we store may harm our reputation and expose us to liability.*

We store customers' bank information, credit information and other sensitive data. Any accidental or wilful security breach, cybersecurity incident or other unauthorized access could result in theft or misuse of this data. Security breaches, cybersecurity incidents or unauthorized access to confidential information could also expose us to liability related to the loss of the information, time-consuming and expensive litigation, business interruption, remediation costs, compensation to affected customers and negative publicity. If security measures are compromised because of third-party action, employee error, malfeasance, including through vulnerabilities in third-party service providers, cloud infrastructure, application programming interfaces, payment gateways or other technology partners, or if design flaws in our software are exposed and exploited, and, as a result, a third party obtains unauthorized access to customer data, our relationships with customers may be severely damaged and we could incur significant liability. While we have not experienced any material adverse impact on our business, financial condition, results of operations or cash flows during the nine months ended December 31, 2025 and during Fiscal 2025 and Fiscal 2024 arising from security breaches, cybersecurity incidents or unauthorized access to customers' confidential information, we cannot assure you that similar incidents will not occur in the future or will not adversely affect our business, results of operations, financial condition or prospects.

As techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until they are launched against a target, we and our third-party hosting facilities may be unable to anticipate these techniques or to implement adequate preventative measures. In addition, we may be required under applicable regulations to notify individuals of data security breaches involving their personal data. These mandatory disclosures regarding a security breach are costly to implement and often lead to widespread negative publicity, which may cause customers to lose confidence in the effectiveness of our data security measures. Any failure to implement or maintain sufficient information security frameworks, including cyber-security controls and system safeguards, or any security breach, whether actual, alleged or perceived, would harm our reputation and may result in loss of customers, regulatory scrutiny, financial liabilities or other adverse consequences, which could in turn have a material adverse effect on our business, prospects, results of operations, financial condition or cash flows.

38. *We may fail to detect money laundering and other illegal or improper activities in our business operations on a timely basis, which may have an adverse effect on our reputation, business operations, financial condition and results of operations.*

We are required to comply with applicable anti-money laundering laws and regulations and related laws and regulations, including the Prevention of Money Laundering Act, 2002, rules framed thereunder, guidelines issued by SEBI and directives of the Financial Intelligence Unit – India. These laws and regulations require financial institutions to establish sound internal control policies and procedures with respect to anti-money laundering monitoring and reporting activities. Such policies and procedures require us to, among other things, establish or designate an anti-money laundering framework, conduct client identification in accordance with relevant rules, duly preserve client identity information and transaction records and report suspicious transactions to relevant authorities. Since, we handle large volumes of monetary transactions for a significant number of clients, the policies and procedures implemented by us for detecting and preventing the use of our brokerage platforms to facilitate money laundering activities may not comprehensively detect or eliminate such instances of money laundering. While we have not experienced any material adverse impact on our business, financial condition, results of operations or cash flows during the nine months ended December 31, 2025 and during Fiscal 2025 and Fiscal 2024 arising from failures in anti-money laundering controls or detection of illegal or improper activities, we cannot assure you that similar issues will not occur in the future or will not adversely affect our business, results of operations, financial condition or prospects.

We are also required to implement effective surveillance controls and measures for ensuring that our electronic brokerage platform is not misused by our clients, sub-brokers, personnel at our dedicated dealer helpdesks or market participants to carry out manipulative trading activities. Failure of surveillance control and measures implemented by us to detect illegal or improper activities undertaken through our platforms in a timely manner, or at all, could lead to regulatory actions against us and harm our reputation.

If the controls and measures implemented for detecting or eliminating money laundering or other improper or illegal trading activities are considered inadequate under applicable laws and regulations by any regulatory, governmental or judicial authority, we may be subject to penal action, freezing or attachment of our assets, restrictions on business

activities, suspension of operations or cancellation of registrations, imposition of fines, or both. We cannot assure you that our controls and measures implemented by us are adequate to detect or eliminate every instance of money laundering or illegal trading activities in a timely manner or at all. Any such lapse may adversely affect our reputation, business operations, financial condition and results of operations.

Our business and reputation could suffer if any parties use or attempt to use us for money-laundering or illegal or improper purposes and such attempts are not detected or reported to the appropriate authorities in compliance with applicable regulatory requirements.

39. *Any downgrade in credit ratings could increase interest rates for refinancing outstanding debt, which would increase financing costs, and adversely affect future issuances of debt and the ability to borrow on a competitive basis, which could adversely affect our business, financial condition, results of operations and cash flows.*

The cost and availability of capital, among other factors, is also dependent on our short-term and long-term credit ratings. Credit ratings reflect the opinion of the rating agency on our management, track record, diversified clientele, increase in scale and operations and margins and operating cycle. We have received a credit rating of CRISIL A+/Stable for our long-term bank facilities and CRISIL A1+ for our short-term bank facilities from CRISIL Ratings Limited. While our credit ratings have not been downgraded in the past, there can be no assurances that our ratings would not be subject to downgrade in the future. Any downgrade in our credit ratings or our inability to obtain such credit rating in a timely manner or any non-availability of credit ratings, or poor ratings, could increase borrowing costs, imposing additional terms and conditions in any future financing or refinancing arrangements, give our lenders the right to review the facilities availed by us under our financing arrangements and adversely affect our access to capital and debt markets, which could in turn adversely affect our interest margins, our business, results of operations, financial condition and cash flows.

40. *The wide variety of payment methods that we accept subjects us to third-party payment processing-related risks.*

Customers can transact on our platform using multiple payment methods, including digital wallets, UPI payment, or transfers from an online bank account. For third-party payment methods, we pay interchange and other service fees, which may increase over time and raise our operating costs. Any disruption in the functioning of the third-party payment channels, including if these companies become unwilling or unable to provide these services or increase the costs of providing such services, even if caused due to factors completely external to us, can adversely affect our business and operations. In addition, we are subject to various rules, regulations and requirements, regulatory or otherwise, governing payment processing, including payment card network operating rules, which are set and interpreted by the payment card networks, which could change or be reinterpreted to make it difficult or impossible for us to comply. If we or our third-party payment gateway operators fail to comply with these rules or requirements, we may be subject to fines and/ or higher transaction fees and/ or lose our ability to accept electronic payments from our customers, facilitate electronic funds transfers or other types of online payments, and our business, cash flows, financial condition and results of operations could be materially and adversely affected.

41. *We are subject to data protection and privacy laws, and any failure to comply with such laws may adversely affect our business, results of operations and financial condition.*

Our operations are subject to data protection and privacy laws in India, including the Information Technology Act, 2000 and the rules thereunder, as well as the Digital Personal Data Protection Act, 2023 and the Digital Personal Data Protection Rules, 2025 (“**DPDP Laws**”). These laws impose obligations relating to the collection, processing, storage, security, disclosure and transfer of personal data, including requirements relating to consent management, data security safeguards, grievance redressal mechanisms and breach reporting.

Compliance with applicable data protection laws may require us to incur additional costs, deploy enhanced technological and organisational measures, modify our internal processes and restrict the manner in which we collect, use or share customer data. Any failure to comply with such laws may result in penalties, regulatory action, reputational damage, restrictions on business operations or other legal consequences. While we have not experienced any material adverse impact on our business, financial condition, results of operations or cash flows during the nine months ended December 31, 2025 and during Fiscal 2025 and Fiscal 2024 arising from non-compliance with applicable data protection or privacy laws, including reportable data breaches, we cannot assure you that similar issues will not occur in the future or will not adversely affect our business, results of operations, financial condition or prospects.

While we have implemented policies, procedures and technical safeguards designed to ensure compliance with applicable data protection and privacy requirements, we cannot assure you that our measures will be sufficient in all circumstances, or that future changes in data protection laws or regulatory interpretations will not require additional compliance efforts.

Any non-compliance with data protection or privacy laws, whether due to internal failures or external factors, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

42. *We have certain contingent liabilities that have not been provided for in our financial statements, which if they materialise, may adversely affect our financial condition.*

The following table and notes set forth the principal components of our contingent liabilities as at March 31, 2025:

<i>(₹in million)</i>	
Particulars	As at March 31, 2025
(i) Bank Guarantees	5,000.00
(ii) In respect of Income tax matters	218.50
(iii) In respect of legal cases/penalties	2.68
Total	5,221.18

Our contingent liabilities may become actual liabilities. If a significant portion of these liabilities materialize, it could have an adverse effect on our business, results of operations and financial condition. Further, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current fiscal year or in the future. For further information, see “*Financial Information*” on page 68.

43. *After the completion of the Issue, our Promoters and members of the Promoter Group will continue to collectively hold substantial shareholding in our Company and may exercise significant influence over our operations and strategic decisions.*

After completion of the Issue, our Promoters and members of the Promoter Group will continue to hold substantial shareholding and exercise significant influence over our Company, which may limit the ability of other shareholders to influence key decisions and may restrict certain strategic transactions, including mergers.

Our Promoters and members of the Promoter Group have confirmed that in relation to the Issue, they intend to and reserve the right to either: (i)(a) subscribe to the full extent of the Equity Shares that they are entitled to in the Issue in proportion to the number of Equity Shares held by them respectively as on the Record Date (“**Rights Entitlement**”) and not renounce their Rights Entitlement and (i)(b) subscribe to the full extent of the Rights Entitlement, if any, renounced within the Promoters and Promoter Group; or (ii) renounce any or all of their respective Rights Entitlements within the Promoters and Promoter Group, in each case to the extent that the aggregate shareholding of the Promoters and Promoter Group is compliant with the minimum public shareholding requirements under the Securities Contracts (Regulation) Rules, 1957 and the SEBI Listing Regulations. Further, subject to subscribing to the full extent of their respective Rights Entitlements as per (i)(a) above and such Rights Entitlements renounced within the Promoters and Promoter Group as per (i)(b) above, they have also agreed to subscribe to additional Equity Shares, if any, including any unsubscribed portion of the Issue, up to the total Issue size, subject to compliance with the SEBI Takeover Regulations and to the extent that the aggregate shareholding of the Promoters and Promoter Group is compliant with the minimum public shareholding requirements under the Securities Contracts (Regulation) Rules, 1957 and the SEBI Listing Regulations.

The acquisition of Rights Equity Shares in the Issue by our Promoters and members of our Promoter Group, shall be eligible for exemption from open offer requirements, subject to our Company meeting the pricing criteria and other conditions, if any in terms of Regulation 10(4)(a) and 10(4)(b) of the SEBI Takeover Regulations, and the subscription / renouncement by them as set out in para above shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations.

Consequently, following completion of the Issue, our Promoters and members of the Promoter Group will continue to hold a significant shareholding in our Company and may continue to exercise substantial influence over matters requiring shareholder approval, including the appointment and removal of directors and approval of corporate actions. Such influence may, among other things, have the effect of delaying, deterring or preventing a change of control of our Company, a change in management or the consummation of certain strategic transactions, including mergers, business combinations, sale of material assets, strategic investments or other significant corporate actions, unless supported by our Promoters and members of the Promoter Group. The interests of our Promoters and members of the Promoter Group, as significant shareholders, may differ from those of other shareholders. Any such divergence may adversely affect our ability to pursue opportunities, execute our business strategy or undertake strategic corporate actions in the manner or timeframe desired by other shareholders.

In addition, HWIC Asia Fund and FIH Mauritius Investments Ltd (together, the “**Fairfax Shareholders**”) collectively

hold 32.76% of our pre-Issue Equity Share capital. Pursuant to an undertaking dated November 7, 2017, provided to SEBI, the Fairfax Shareholders have, *inter alia*, undertaken (i) not to exercise voting rights in excess of 25% of the paid-up equity share capital of our Company, and (ii) not to acquire additional equity shares such that their aggregate shareholding exceeds 39.97% of the paid-up equity share capital of our Company, unless they comply with applicable takeover regulations or obtain prior consent of SEBI. Such undertaking does not restrict the Fairfax Shareholders from acquiring shares pursuant to a rights issue up to their entitlement, subject to their aggregate shareholding not exceeding 39.97% of the paid-up equity share capital of our Company. The undertaking was issued in connection with scheme of arrangement between IIFL Holdings Limited and our Company sanctioned by the National Company Law Tribunal, Mumbai Bench vide order dated September 6, 2017, and is not applicable in respect of any other transactions or arrangements relating to the Company.

In view of the above, while the Fairfax Shareholders hold a substantial economic interest in our Company, their ability to exercise voting rights or increase their shareholding may be subject to such undertaking and applicable regulatory requirements. These restrictions and any future regulatory interpretation or requirements relating to this undertaking, may affect our shareholding structure and the extent of participation by the Fairfax Shareholders in future issuances.

44. *Certain of our Key Managerial Personnel and Senior Management Personnel have interest in our Company in addition to their normal remuneration or benefits and reimbursement of expenses incurred.*

Certain of our Key Managerial Personnel and Senior Management Personnel have interests in our Company that are in addition to reimbursement of expenses and normal remuneration payable to them. Certain of our Key Managerial Personnel and Senior Management Personnel may be deemed to be interested to the extent of Equity Shares held by them and their relatives, as well as to the extent of any dividends, bonuses or other distributions on such Equity Shares. The details of the shareholding held by our Key Managerial Personnel and Senior Management Personnel as on the date of this Letter of Offer are as follows:

Sr. No.	Name	Category	No of Equity Shares
1.	Gourav Munjal	Key Managerial Personnel	9,656
2.	Mahesh Kutty Gujran	Senior Management Personnel	10
3.	Geetha Satish Menon	Senior Management Personnel	91
4.	Ravindra Ramchandra Kalvankar	Senior Management Personnel	1

Accordingly, these individuals may be deemed to be interested to the extent of their respective shareholding and any dividends, bonuses or other distributions declared by our Company on such Equity Shares.

We cannot assure you that our Key Managerial Personnel and Senior Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. For further details of such interests, see “*Our Management*” and “*Financial Information*” on pages 64 and 68, respectively.

45. *If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.*

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting for external purposes, including with respect to record keeping and transaction authorization. In recent years, we have focused on improving the internal controls of the businesses. Due to our inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial statements would be prevented or detected. Any failure to maintain an effective system of internal control over financial reporting could limit our ability to report financial results accurately and in a timely manner or to detect and prevent fraud, which could have a material adverse effect on our business, results of operations, cash flows and financial condition.

EXTERNAL RISK FACTORS

46. *Political, economic or other factors that are beyond our control may have an adverse effect on our business, results of operations, financial condition and cash flows.*

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally. Our results of operations are significantly affected by factors influencing the Indian economy. Factors that could adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including changes in interest rates, exchange rates, inflation or foreign exchange reserves in India;
- events such as the 2008 financial crisis, COVID-19 outbreak, and geopolitical conflicts that can lead to sudden and extreme market swings as well as order execution delays and even trading halts;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- imposition of trade tariffs on imports and exports, such as US trade tariffs in 2025;
- uncertainty and second order impacts create heightened volatility, and individual investors start holding more cash and/ or shifting to safer asset classes such as gold;
- occurrence of natural or man-made disasters (such as typhoons, flooding, earthquakes and fires), political instability, terrorism or military conflict in India or in countries in the region or globally (such as the Ukraine-Russia, Israel-Hamas and Israel-Iran conflicts) which may cause us to suspend our operations;
- epidemics, pandemics or any other public health issues in India or in countries in the region or globally, including in India's neighbouring countries;
- prevailing regional or global economic conditions, including in India's principal export markets;
- any downgrading of India's debt rating by a domestic or international rating agency; and
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operation, financial condition and cash flows and the price of the Equity Shares. Moreover, market conditions may change rapidly due to any adverse economic and political conditions, and we may not be able to respond to such changes in a timely manner, or at all. Any adverse impact of general economic or political conditions could materially adversely affect our business, financial condition, cash flows, results of operations and prospects.

47. *Fluctuations in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of the Equity Shares, independent of our operating results.*

On listing, the Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of the Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Indian Rupee and the U.S. dollar has fluctuated in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on the Equity Shares, independent of our operating results.

48. *There may be restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.*

Upon listing and trading of the Rights Equity Shares, we may be subject to a daily circuit breaker imposed by all stock exchanges in India, which may not allow transactions beyond certain volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breaker may be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges may not inform us of the percentage limit of the circuit breaker from time to time and may change it without our knowledge. This circuit breaker effectively limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

49. *If inflation continues to rise in India, increased costs may result in a decline in profits.*

Inflation rates in India have been volatile in recent years, and such volatility may continue. India has experienced high inflation in the recent past. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses and could adversely affect our business and financial condition. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it

could have an adverse effect on our business, prospects, results of operations, financial condition, and cash flows. Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

50. *Any downgrade of credit ratings of India or Indian companies by an international rating agency could have a negative impact on our business and could materially affect our future performance and the trading price of our Equity Shares.*

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

51. *Our ability to raise foreign capital may be constrained by Indian law.*

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, results of operations, financial condition and cash flows.

52. *Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as IFRS and US GAAP, which may be material to investors' assessments of our financial condition.*

Our Audited Consolidated Financial Statements and Unaudited Consolidated Financial Results included in this Letter of Offer is presented in conformity with Ind AS. Ind AS differs from accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and US GAAP.

We have not attempted to quantify the effect of US GAAP or IFRS on the financial data included in this Letter of Offer, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Ind AS included in this Letter of Offer, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should be limited accordingly.

RISKS RELATING TO OUR EQUITY SHARES AND THIS ISSUE

53. *There is no public market for the Rights Equity Shares or Equity Shares outside India.*

After this Issue, there will continue to be no public market for our Equity Shares in the United States or any country other than India. In addition, the holders of the partly paid-up Rights Equity Shares will not be able to trade in these shares till they are credited to the holders' account as fully paid-up, and thereafter there will also be no public market for the Rights Equity Shares outside of India. We cannot assure you that the face value of the Rights Equity Shares will correspond to the price at which the Rights Equity Shares will trade subsequent to this Issue. This may also affect the liquidity of our Rights Equity Shares and Equity Shares and restrict your ability to sell them.

54. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.*

Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounees may not be able to apply if the renunciation is not completed through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time,

in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements. For details, see “*Terms of the Issue*” on page 76.

55. *The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form may lapse in case they fail to furnish the details of their demat account to the Registrar.*

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (b) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (c) credit of the Rights Entitlements returned, reversed or failed; or (d) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any. The Rights Entitlements of the Eligible Equity Shareholders holding Equity Shares in physical form who do not furnish the details of their demat account to the Registrar not later than two clear Working Days prior to the Issue Closing Date, shall lapse. For details, please see “*Terms of the Issue*” on page 76.

56. *You may not receive the Equity Shares that you subscribe in this Issue until two days after the date on which this Issue closes, which will subject you to market risk.*

The Equity Shares that you may be Allotted in this Issue may not be credited to your demat account with the depository participants until approximately two days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. We cannot assure you that the Equity Shares allocated to you will be credited to your demat account, or that trading in such Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

57. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.*

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant’s demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political, or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operations or financial condition, or other events affecting the Applicant’s decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their Applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Rights Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants’ ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

58. *Our Company will not distribute this Letter of Offer and other Issue related materials to overseas shareholders who have not provided an address in India for service of documents.*

We will distribute the Issue related material to the shareholders who have provided an address in India for service of documents. The Issue related material will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in various overseas jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, this Letter of Offer will be sent only to their valid e-mail address and in case of such Eligible Equity Shareholders who have not provided their e-mail address, then this Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

While the Companies Act, 2013 requires companies to serve documents at any address which may be provided by the members as well as through e-mail, presently, there is lack of clarity under the Companies Act, 2013 and the rules thereunder with respect to distribution of Issue related material in overseas jurisdictions where such distribution may be

prohibited under the applicable laws of such jurisdiction. While our Company will request its shareholders to provide an address in India for the purposes of distribution of Issue related material, our Company cannot assure that the regulator would not adopt a different view with respect to compliance with the Companies Act, 2013 and may subject our Company to fines or penalties.

59. *We may, at any time in the future, make further issuances of Equity Shares and this may significantly dilute your future shareholding, or our Promoters and other major shareholders may undertake sale of Equity Shares which may affect the trading price of our Equity Shares.*

Any future equity issuances by us, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences for us including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception that such issuance or sales of shares may occur, may lead to dilution of your shareholding, significantly affecting the trading price of our Equity Shares and our ability to raise capital through an issue of our securities. There can be no assurance that such future issuance by us will be at a price equal to or more than the Issue Price. Further, there can be no assurance that we will not issue further shares or that the major shareholders will not dispose of, pledge or otherwise encumber their shares.

60. *No market for the Rights Entitlements may develop and the price of the Rights Entitlements may be volatile.*

No assurance can be given that an active trading market for the Rights Entitlements will develop on the Stock Exchanges during the Renunciation Period or that there will be sufficient liquidity in Rights Entitlements trading during this period. The trading price of the Rights Entitlements will not only depend on supply and demand for the Rights Entitlements, which may be affected by factors unrelated to the trading in the Equity Shares, but also on the quoted price of the Equity Shares, amongst others. Factors affecting the volatility of the price of the Equity Shares, as described herein, may magnify the volatility of the trading price of the Rights Entitlements, and a decline in the price of the Equity Shares will have an adverse impact on the trading price of the Rights Entitlements. Since the trading of the Rights Entitlements will be on a separate segment compared to the Equity Shares on the floor of the Stock Exchanges, the trading of Rights Entitlements may not track the trading of Equity Shares.

61. *You may be subject to Indian taxes arising out of capital gains on the sale of the Rights Equity Shares.*

Under the current Indian tax laws and regulations, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Additionally, a securities transaction tax ("STT") is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification), and the STT is collected by an Indian stock exchange on which equity shares are sold. Any capital gain realized on the sale of listed equity shares on the stock exchanges held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains tax in India. Such long-term capital gains exceeding ₹125,000 arising from the sale of listed equity shares on the stock exchange are subject to tax at the rate of 12.50% (plus applicable surcharge and cess). This beneficial provision is, inter alia, subject to payment of STT. Further, any capital gains realized on the sale of listed equity shares of an Indian company, held for more than 12 months, which are sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be subject to long-term capital gains tax in India at the rate of 12.50% (plus applicable surcharge and cess).

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India at the rate of 20.00% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates. Capital gains arising from the sale of the Rights Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder, subject to certain conditions. Tax laws are subject to change, and investors should consult their own tax advisors.

SECTION III- INTRODUCTION

THE ISSUE

The Issue has been authorised by way of resolution passed by our Board of Directors on February 24, 2026, pursuant to section 62(1)(a) and other applicable provisions of the Companies Act, 2013. The terms and conditions of the Issue including the Rights Entitlement, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by our Board of Directors at its meeting held on March 11, 2026.

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the section entitled “*Terms of the Issue*” beginning on page 76.

Particulars	Details of Equity Shares
Rights Equity Shares being offered by our Company	Up to 15,627,419 Rights Equity Shares
Rights Entitlement for the Rights Equity Shares	1 (One) Rights Equity Share(s) for every 2 (Two) Equity Shares held on the Record Date
Fractional Entitlement	For Equity Shares being offered on a rights basis under the Issue if the shareholding of any of the Eligible Equity Shareholders is less than 2 (Two) Equity Shares or is not in multiple of 2 (Two) Equity Shares, the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity Shareholders whose fractional entitlements are ignored will be given preference in the Allotment one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any
Record Date	Tuesday, March 17, 2026
Face Value per Equity Share	₹10 each
Issue Price	₹300.00 per Rights Equity Share (including premium of ₹290.00 per Rights Equity Share)
Issue Size	Up to ₹4,688.23 million*
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue shall rank <i>pari passu</i> in all respects with the existing Equity Shares of our Company
Equity Shares issued, subscribed, paid-up and outstanding prior to the Issue	31,254,838 Equity Shares of face value of ₹10 each. For details, see “ <i>Capital Structure</i> ” on page 47.
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)	46,882,257 Equity Shares
Security Codes for the Equity Shares	ISIN: INE618L01018 BSE: 540776 NSE: 5PAISA
ISIN for Rights Entitlements[^]	INE618L20018
Terms of the Issue	For further information, see “ <i>Terms of the Issue</i> ” beginning on page 76.
Use of Issue Proceeds	For further information, see “ <i>Objects of the Issue</i> ” beginning on page 50.

*Assuming full subscription in the Issue and Allotment. Subject to finalization of Basis of Allotment.

[^]Our Company has obtained a separate ISIN for the Rights Equity Shares, as required under applicable laws

Terms of Payment

Due Date	Face Value (₹)	Premium (₹)	Amount payable per Rights Equity Shares (including premium) (₹)
On Application (i.e., along with the Application Form)	10	290.00	300.00

GENERAL INFORMATION

5paisa Capital Limited (“**Company**” or “**Issuer**”) was originally incorporated as a public limited company under the provisions of the Companies Act, 1956 as “India Infoline Finance Holdings Limited” pursuant to a certificate of incorporation dated July 10, 2007 issued by the Registrar of Companies, Maharashtra at Mumbai (“**RoC**”). Thereafter, our Company obtained the certificate for commencement of business on July 19, 2007 from the RoC. The name of our Company was subsequently changed to “IIFL Capital Limited” and a fresh certificate of incorporation dated November 6, 2007, consequent upon change of name, was issued by the RoC. Thereafter, the name of our Company was changed to “5paisa Capital Limited”, and a fresh certificate of incorporation, consequent upon change of name, was issued by the Registrar of Companies, Tamil Nadu at Chennai (where the registered office of our Company was located), on August 12, 2015.

REGISTERED AND CORPORATE OFFICE OF OUR COMPANY

5paisa Capital Limited

IIFL House, Sun Infotech Park,
Road No. 16V, B-23, MIDC,
Thane Industrial Area, Wagle Estate, Thane – 400604.

Maharashtra, India

Telephone: +91 22 41035000

E-mail: csteam@5paisa.com

Website: <https://5paisa.com/>

Corporate Identity Number: L67190MH2007PLC289249

Registration Number: 289249

CHANGES IN REGISTERED OFFICE

Except as disclosed below, there has been no change in the Registered Office of our Company:

Effective change of registered office	Details of the address of registered office	Reasons for change
April 24, 2010	Our Company shifted its registered office from 75, Nirlon Complex, off western Express highway, Goregaon, Mumbai 400 063, Maharashtra to IIFL House, Sun Infotech Park, Road No 16V, B-23, MIDC, Thane, Industrial Area, Wagle Estate, Thane, 400 604, Maharashtra	Administrative convenience
August 4, 2011	Our Company shifted its registered office from IIFL House, Sun Infotech Park, Road No 16V, B-23, MIDC, Thane, Industrial Area, Wagle Estate, Thane, 400 604, Maharashtra to 143 MGR road, Perungudi, Chennai 600 096, Tamil Nadu.	Administrative convenience
January 3, 2017	Our Company shifted its registered office from 143 MGR road, Perungudi, Chennai 600096, Tamil Nadu to IIFL House, Sun Infotech Park, Road No. 16V, B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane – 400604, Maharashtra, India.	Administrative convenience

REGISTRAR OF COMPANIES

Registrar of Companies, Mumbai
100, Everest, Marine Drive, Mumbai – 400002

COMPANY SECRETARY AND COMPLIANCE OFFICER

Charvi Ajay Panchmatia is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Charvi Ajay Panchmatia

Company Secretary and Compliance Officer

IIFL House, Sun Infotech Park,

Road No. 16V, B-23, MIDC,

Thane Industrial Area, Wagle Estate, Thane – 400604.

Maharashtra, India

Telephone: +91 22 42035000

E-mail: csteam@5paisa.com

Website: <https://5paisa.com/>

LEGAL ADVISOR TO THE ISSUE AS TO INDIAN LAW

JSA

One Lodha Place, 27th Floor

Senapati Bapat Marg, Lower Parel

Mumbai - 400 013, India

STATUTORY AUDITOR OF OUR COMPANY

M/s V. SANKAR AIYAR & CO. CHARTERED ACCOUNTANTS

Address: A 601 Mangalya Building,

Off Marol Maroshi Road,
Andheri East, Mumbai 400 059
Telephone: +91 22 4451 6087
E-mail: mumbai@vsa.co.in
Firm registration number: 109208W
Peer review certificate number: 019304
Name of the Partner: Asha Patel
Membership number: 166048

BANKER TO THE ISSUE
ICICI BANK LIMITED
Capital Market Divison,
5th Floor, HT Parekh Marg,
Backbay Reclamation,
Churchgate, Mumbai - 400020
Contact No: +022 66818911/923/924
Email: ipocmg@icici.bank.in

REGISTRAR TO THE ISSUE
MUFG INTIME INDIA PRIVATE LIMITED
(formerly Link Intime India Private Limited)
C-101, 1st Floor, Embassy 247,
LBS Marg, Surya Nagar, Gandhi Nagar Vikhroli (West),
Mumbai –400 083, Maharashtra, India.
Telephone Number: +91 81081 14949
Email: 5paisacap.rights2026@in.mpms.mufg.com
Website: www.in.mpms.mufg.com
Contact Person: Shanti Gopalakrishnan
Investor Grievance e-mail:
5paisacap.rights2026@in.mpms.mufg.com
SEBI Registration No.: INR000004058
CIN: U67190MH1999PTC118368

EXPERTS

Our Company has received the written consent of M/s V. Sankar Aiyar & Co. Chartered Accountants, holding a valid peer review certificate issued by the Institute of Chartered Accountants of India (“ICAI”), vide their letter dated February 24, 2026, to the inclusion of their name in the Draft Letter of Offer, this Letter of Offer, the Application Form, and other issue-related documents, and in respect of (i) the statement of possible special tax benefits available to our Company and its shareholders dated February 24, 2026; and (ii) the certificates issued by them in their capacity as statutory auditors to our Company, and such consent has not been withdrawn as of the date of this Letter of Offer.

The term “expert” and “consent” does not represent an “expert” or “consent” within the meaning under the U.S. Securities Act.

SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

REGISTRAR AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept ASBA Forms from Bidders (other than UPI Bidders) at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of Stock Exchanges at www.bseindia.com/Static/PublicIssues/RtaDp.aspx and <https://www.nseindia.com/static/products-services/initial-public-offerings-asba-procedures>, respectively, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS (CDP)

The list of the CDPs eligible to accept ASBA Forms from Bidders (other than UPI Bidders) at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at www.bseindia.com/Static/PublicIssues/RtaDp.aspx and on the website of NSE at <https://www.nseindia.com/static/products-services/initial-public-offerings-asba-procedures>, as updated from time to time.

CREDIT RATING

This is an issue of Equity Shares; credit rating is, therefore, not required.

DEBENTURE TRUSTEE

This is an issue of Equity Shares; the appointment of Debenture trustees is, therefore, not required.

MONITORING AGENCY

Our Company has appointed CARE Ratings Limited to monitor the utilization of the Gross Proceeds in terms of Regulation 82 of the SEBI ICDR Regulations. For details in relation to the proposed utilisation of the Net Proceeds, see “*Objects of the Issue*” on page 50.

CARE Ratings Limited

Address: 4th Floor, Godrej Coliseum, Somaiya Hospital Road,
Off Eastern Express Highway, Sion (East), Mumbai 400 022.
Telephone number: 022 6754 3456
E-mail ID: Maheshkumar.narhare@careedge.in
Website: www.careratings.com
Contact person: Maheshkumar Narhare
SEBI registration number: IN/CRA/004/1999
CIN: L67190MH1993PLC071691

INVESTOR GRIEVANCES

Investors are advised to contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related problems such as non-receipt of Application Form and Rights Entitlement Letter/ Letter of Allotment, Split Application Forms, Share Certificate(s) or Refund Orders, etc. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the applicant, ASBA Account number and the Designated Branch of the SCSBs, number of Equity Shares applied for, amount blocked, where the Application Form and Rights Entitlement Letter or the plain paper application, in case of Eligible Equity Shareholder, was submitted by the ASBA Investors through ASBA process.

UNDERWRITING

This Issue is not underwritten, and our Company has not entered into any underwriting agreement.

FILING

A copy of the Draft Letter of Offer was filed with the Stock Exchanges as required under the SEBI ICDR Regulations. Further, this Letter of Offer is being filed with the Stock Exchanges and with SEBI, in accordance with SEBI ICDR Regulations.

MINIMUM SUBSCRIPTION

Our Promoters and members of the Promoter Group have confirmed that in relation to the Issue, they intend to and reserve the right to either: (i)(a) subscribe to the full extent of the Equity Shares that they are entitled to in the Issue in proportion to the number of Equity Shares held by them respectively as on the Record Date ("Rights Entitlement") and not renounce their Rights Entitlement and (i)(b) subscribe to the full extent of the Rights Entitlement, if any, renounced within the Promoters and Promoter Group; or (ii) renounce any or all of their respective Rights Entitlements within the Promoters and Promoter Group, in each case to the extent that the aggregate shareholding of the Promoters and Promoter Group is compliant with the minimum public shareholding requirements under the Securities Contracts (Regulation) Rules, 1957 and the SEBI Listing Regulations. Further, subject to subscribing to the full extent of their respective Rights Entitlements as per (i)(a) above and such Rights Entitlements renounced within the Promoters and Promoter Group as per (i)(b) above, they have also agreed to subscribe to additional Equity Shares, if any, including any unsubscribed portion of the Issue, up to the total Issue size, subject to compliance with the SEBI Takeover Regulations and to the extent that the aggregate shareholding of the Promoters and Promoter Group is compliant with the minimum public shareholding requirements under the Securities Contracts (Regulation) Rules, 1957 and the SEBI Listing Regulations.

The acquisition of Rights Equity Shares in the Issue by our Promoters and members of our Promoter Group, shall be eligible for exemption from open offer requirements, subject to our Company meeting the pricing criteria and other conditions, if any in terms of Regulation 10(4)(a) and 10(4)(b) of the SEBI Takeover Regulations, and the subscription / renouncement by them as set out in para above shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations.

Further, the objects of the Issue comprise: (a) augmenting funds for maintenance of margin deposits with stock exchanges; (b) repayment, prepayment and/or redemption, in full or in part, of certain outstanding borrowings availed by our Company, including interest accrued thereon; and (c) general corporate purposes.

In terms of Regulation 86(1) of the SEBI ICDR Regulations, a minimum subscription of at least 90% of the Issue size is ordinarily required in a rights issue. However, such minimum subscription requirement is not applicable where: (a) the objects of the issue involve financing other than capital expenditure for a project; and (b) the Promoters and members of the Promoter Group undertake to subscribe fully to their respective Rights Entitlement and do not renounce their Rights Entitlement, except to the extent of renunciation within the Promoter Group or to specific investor(s), if any.

Accordingly, pursuant to Regulation 86(1) of the SEBI ICDR Regulations, the requirement for minimum subscription of 90% of the Equity Shares offered in the Issue is not applicable. In the event that the conditions specified under proviso (b) to Regulation 86(1) of the SEBI ICDR Regulations are not satisfied, the minimum subscription requirement shall apply to the Issue.

CAPITAL STRUCTURE

The share capital of our Company as at the date of this Letter of Offer and the details of the Equity Shares proposed to be issued in the Issue, and the issued, subscribed and paid-up share capital after the Issue is as set forth below:

(In ₹, except share data, or unless stated otherwise)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A.	AUTHORISED SHARE CAPITAL		
	80,000,000 Equity Shares of face value ₹10 each	800,000,000	NA
B.	ISSUED AND SUBSCRIBED SHARE CAPITAL BEFORE THE ISSUE		
	31,254,838 Equity Shares of face value ₹10 each	312,548,380	NA
C.	PAID-UP SHARE CAPITAL BEFORE THE ISSUE		
	31,254,838 Equity Shares of face value ₹10 each	312,548,380	NA
D.	PRESENT ISSUE IN TERMS OF THIS LETTER OF OFFER ⁽¹⁾		
	Up to 15,627,419 Equity Shares of face value ₹10 each	Up to 156,274,190	Up to 4,688,225,700
E.	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE ⁽²⁾		
	46,882,257 Equity Shares of face value ₹10 each	468,822,570	NA
SECURITIES PREMIUM ACCOUNT			
	Before this Issue ⁽³⁾		4,287,751,602
	After the Rights Issue of Equity Shares ⁽²⁾		8,819,703,112

(1) The Issue has been authorised by our Board pursuant to a resolution dated February 24, 2026. The terms of the Issue including the Record Date and Rights Entitlement ratio have been approved by the Board of Directors pursuant to a resolution dated March 11, 2026.

(2) Assuming full subscription in the Issue. Subject to finalisation of Basis of Allotment.

(3) As on date of this Letter of Offer.

Notes to the Capital Structure:

1. **Shareholding pattern of our Company as per the last filing with the Stock Exchanges in compliance with the provisions of the SEBI Listing Regulations**
 - a. The shareholding pattern of our Company as on December 31, 2025, can be accessed on the website of BSE at <https://www.bseindia.com/stock-share-price/5paisa-capital-ltd/5paisa/540776/qtrid/128.00/shareholding-pattern/Dec-2025/> and NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=5PAISA&tabIndex=equity>.
 - b. The statement showing holding of Equity Shares of persons belonging to the category “Promoters and Promoter Group” including the details of lock-in, pledge of and encumbrance thereon, if any, as on December 31, 2025, can be accessed on the website of BSE at <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=540776&qtrid=128.00&QtrName=Dec-25> and NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=5PAISA&tabIndex=equity>.
 - c. The statement showing holding of securities (including Equity Shares, warrants, convertible securities) of persons belonging to the category “Public” including Equity Shareholders holding more than 1% of the total number of Equity Shares as on December 31, 2025, as well as details of shares which remain unclaimed for public can be accessed on the website of BSE at <https://www.bseindia.com/stock-share-price/5paisa-capital-ltd/5paisa/540776/qtrid/128.00/shareholding-pattern/Dec-2025/>; and NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=5PAISA&tabIndex=equity>.
 - d. No Equity Shares have been issued by our Company with special voting rights, in the last one year immediately preceding the date of filing this Letter of Offer with the Stock Exchanges.
 - e. No Equity Shares have been issued by our Company for consideration other than cash, in the last one year immediately preceding the date of filing this Letter of Offer with the Stock Exchanges.
 - f. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares outstanding as on the date of this Letter of Offer. The Rights Equity Shares, when issued, shall be fully paid-up. Further, the Equity Shares allotted pursuant to the Issue, shall be fully paid up. For details on the terms of this Issue, see “*Terms of the Issue*” on page 76.
 - g. The ex-rights price of the Equity Shares, as computed in accordance with Regulation 10(4)(b) of the SEBI Takeover Regulations, is ₹337.37 per Equity Share.

- h. Our Company shall ensure that any transaction in the specified securities by our Promoters and members of the Promoter Group during the period between the date of filing this Letter of Offer with the Stock Exchanges and the date of closure of the Issue shall be reported to the Stock Exchange within 24 hours of such transaction.
- i. At any given time, there shall be only one denomination of the Equity Shares of our Company.
- j. Except as disclosed below, there are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Letter of Offer.

Employees Stock Option Scheme

A. *5paisa Capital Limited Employee Stock Option Scheme – 2023 (“5paisa ESOS-2023”)*

Our Company has formulated an employee stock option scheme titled 5paisa ESOS-2023. The 5paisa ESOS-2023 has been authorized pursuant to a resolution of the Board dated July 12, 2023 and a special resolution passed by shareholders of our Company through AGM dated August 31, 2023. The 5paisa ESOS-2023 is operated and administered by the Nomination and Remuneration Committee to grant options to eligible employees in terms of the scheme.

As on the date of this Letter of Offer, the details of options pursuant to the 5paisa ESOS-2023 are as follows:

Particulars	5paisa ESOS-2023
Total number of stock options granted	1,640,000
Stock options vested but not exercised	NIL
Stock options exercised	25,000
Stock options forfeited/lapsed	1,590,000
Money realized by exercise of options (<i>in ₹ million</i>)	0.25
Total number of options outstanding	25,000

B. *5paisa Capital Limited Employee Stock Option Scheme – 2017 (“5PCL ESOS-2017”)*

Our Company has formulated an employee stock option scheme titled 5PCL ESOS-2017. The 5PCL ESOS-2017 has been authorized pursuant to a resolution of the Board dated July 19, 2017 and a special resolution passed by shareholders of our Company dated August 21, 2017, which was subsequently ratified by the Board and shareholders at its meeting dated December 15, 2017 and January 25, 2018 respectively. The 5PCL ESOS-2017 is operated and administered by the Nomination and Remuneration Committee to grant options to eligible employees in terms of the scheme.

The Nomination & Remuneration Committee of the Board of Directors in its meeting dated October 21, 2019 further amended 5PCL ESOS-2017 scheme pursuant to the corporate action consequent to Rights Issue. Thereafter, the scheme was amended and approved by the shareholders to increase its pool size on June 11, 2021, March 01, 2023 and December 22, 2023.

As on the date of this Letter of Offer, the details of options pursuant to the 5PCL ESOS-2017 are as follows:

Particulars	5PCL ESOS-2017
Total number of stock options granted	2,054,350
Stock options vested but not exercised	244,950
Stock options exercised	734,770
Stock options forfeited/lapsed	707,130
Money realized by exercise of options (<i>in ₹ million</i>)	149.84
Total number of options outstanding	612,450

C. *5paisa Capital Limited Employee Stock Option Trust Scheme-2017 (“5PCL ESOTS-2017”)*

Our Company has formulated an employee stock option trust scheme - 2017. The 5PCL ESOTS-2017 has been authorized pursuant to a resolution of the Board dated December 15, 2017 and a special resolution passed by the shareholders of our Company dated January 25, 2018 through postal ballot. The 5PCL ESOTS-2017 is operated and administered by the Nomination and Remuneration Committee to grant options to eligible employees in terms of the scheme.

As on the date of this Letter of Offer, no options have been granted to the eligible employees under 5PCL ESOTS-2017.

Pursuant to the provisions of the 5paise ESOS-2023 Scheme, the 5PCL ESOS-2017 Scheme and the 5PCL ESOTS-2017 Scheme, the Issue may constitute a corporate action requiring adjustments under the said schemes. Accordingly, any adjustment in respect of the outstanding options will be made after completion of the Issue in accordance with applicable law and the terms of the respective ESOP schemes.

k. **Details of Equity Shares acquired by the promoter and promoter group in the last one year prior to the filing of this Letter of Offer.**

Except for the 10,420 Equity Shares purchased by Harshita Nirmal Jain constituting 0.03% of the issued and paid-up capital of the Company, our Promoters and Promoter Group did not acquire any Equity Shares of the Company in the last one year prior to the filing of this Letter of Offer.

As on the date of this Letter of Offer, our Promoter and members of Promoter Group hold 10,241,118 Equity Shares of our Company which represents 32.77% of the issued and paid-up capital of the Company.

l. **Details of the Equity Shareholders holding more than 1% of the paid-up and subscribed share capital of the Company**

The table below sets forth details of Equity Shareholders holding more than 1% of the paid-up and subscribed share capital of our Company, as of December 31, 2025:

Sr. No.	Name of the Equity Shareholders	Number of Equity Shares held*	Percentage of Equity Shares held (%)
1.	FIH Mauritius Investments Ltd	7,670,130	24.55
2.	Nirmal Bhanwarlal Jain	6,205,088	19.86
3.	HWIC Asia Fund Class A Shares	2,570,186	8.23
4.	Shubhi Consultancy Services LLP	2,331,000	7.46
5.	Madhu N Jain	1,845,016	5.91
6.	Venkataraman Rajamani	1,269,594	4.06
7.	Bank Muscat India Fund	1,007,856	3.23
8.	Aditi Athavankar	720,000	2.30
Total		23,618,870	75.59

* The Equity Shares held under distinct folio numbers by Shareholders holding the same PAN are considered as Equity Shares held by a single Shareholder.

OBJECTS OF THE ISSUE

The Issue comprises up to 15,627,419 Rights Equity Shares of face value of ₹10 each for a cash price at ₹300.00 per Rights Equity Share (including a premium of ₹290.00 per Rights Equity Share) aggregating up to ₹4,688.23 million*. For further details, see “*Summary of this Letter of Offer*” and “*The Issue*” on pages 15 and 43, respectively.

**Assuming full subscription in the Issue*

Our Company proposes to utilize the Net Proceeds from the Issue towards funding of the following objects:

1. Augmenting funds for maintenance of margin deposits with stock exchanges;
2. Repayment, prepayment and/or redemption, in full or part, of all or a portion of certain outstanding borrowings availed by our Company, including the interest accrued thereon; and
3. General Corporate Purposes
(collectively referred to hereinafter as the “**Objects**”)

We intend to utilize the gross proceeds raised through the Issue (the “**Issue Proceeds**”) after deducting the Issue related expenses (“**Net Proceeds**”) for the above-mentioned Objects.

The main object clause and objects incidental and ancillary to the main objects set out in our Memorandum of Association enable us to undertake the existing business activities and other activities set out therein, the activities proposed to be funded from the Net Proceeds; and to undertake the activities towards which the loans proposed to be repaid in full or in part from the Net Proceeds were utilized.

ISSUE PROCEEDS

The details of the proceeds from the Issue are provided in the following table:

Particulars	Estimated Amount (in ₹ million)
Gross Proceeds from the Issue*	Up to 4,688.23
Less: Issue Related expenses**	37.39
Net Proceeds from the Issue	4,650.84

**Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment.*

*** For further details, see “– Estimated Issue Expenses” on page 57.*

Requirement of Funds and Utilization of Net Proceeds

We intend to utilize the Net Proceeds in the following manner:

Particulars	Estimated Amount (₹ in million)
Augmenting funds for maintenance of margin deposits with stock exchanges	2,270.00
Repayment, prepayment and/or redemption, in full or part, of all or a portion of certain outstanding borrowings availed by our Company, including the interest accrued thereon	1,500.00
General Corporate Purposes#*	880.84
Net Proceeds from the Issue*	4,650.84

#The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds

** Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment.*

Proposed Schedule of Implementation and Deployment of Funds

We propose to deploy the Net Proceeds towards the aforesaid objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

Particulars	Total estimated costs (₹ in million)	Amount proposed to be deployed from the Net Proceeds (₹ in million)	Estimated schedule of deployment of Net Proceeds (₹ in million)
			Fiscal 2027
Augmenting funds for maintenance of margin deposits with stock exchanges	2,270.00	2,270.00	2,270.00
Repayment, prepayment and/or redemption, in full or part, of all or a portion of certain outstanding borrowings	1,500.00	1,500.00	1,500.00

Particulars	Total estimated costs (₹ in million)	Amount proposed to be deployed from the Net Proceeds (₹ in million)	Estimated schedule of deployment of Net Proceeds (₹ in million)
			Fiscal 2027
availed by our Company, including the interest accrued thereon			
General Corporate Purposes#*	880.84	880.84	880.84
Net Proceeds from the Issue*	4,650.84	4,650.84	4,650.84

#The amount to be utilized for General corporate purposes will not exceed 25% of the Gross Proceeds.

*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment.

The funding requirements and deployment of the Net Proceeds as described herein are based on various factors, including our current business plan, management estimates, current circumstances of our business and other commercial and technical factors. However, such fund requirements and deployment of funds are based on our Company's internal management estimates and have not been appraised by any bank or financial institution. See "Risk Factors – The objects for which we propose to utilize Net Issue proceeds are not appraised by any Bank or Financial Institution and our management will have flexibility in applying the Issue proceeds." on page 31. We may have to revise our funding requirements and deployment of the Net Proceeds from time to time on account of various factors, such as financial and market conditions, business and strategy, regulatory related delays, competitive environment and interest or exchange rate fluctuations, interest and finance charges, working capital margin, regulatory costs, and other external factors such as changes in the business environment or regulatory climate which may not be within the control of our management. This may entail rescheduling the proposed utilization of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable laws.

Our Board or the Rights Issue Committee retain the right to change the above schedule of implementation and deployment of Net Proceeds, including the manner, method, and timing of deployment of the Net Proceeds, in case of any change in our business requirements and other commercial considerations, subject to compliance with applicable laws.

Subject to applicable laws, in case of a shortfall in raising requisite capital from the Net Proceeds, business considerations may require us to explore a range of options including utilizing our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in the event of any variation in the actual utilisation of funds earmarked for the Objects set forth above, any increase in fund requirements for a particular Object may be met from surplus funds, if any, allocated to the other Objects of the Issue. If the actual utilisation towards the Objects is lower than the proposed deployment, the balance amount, if any, may be utilised towards general corporate purposes, provided that the total amount allocated to general corporate purposes remains within the permissible limits prescribed under the SEBI ICDR Regulations.

In the event that the estimated utilization of the Net Proceeds in a scheduled Fiscal Year is not completely met, due to the reasons stated above, and any other factors, the same shall be utilized in the subsequent Fiscal Year, as may be determined by our Company in accordance with applicable laws. Further, due to various factors, including the considerations set out above, we may decide or be required to defer utilisation of a portion of the Net Proceeds planned for the current year to the subsequent year.

Means of Finance

The funding requirements for the Objects detailed above are proposed to be funded from the Net Proceeds. Since our Company is not proposing to fund any specific project from the Net Proceeds, the requirement under Regulation 62(1)(c) of the SEBI ICDR Regulations to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance for such projects proposed to be funded from the Net Proceeds, excluding the amount to be raised through the Issue or existing identifiable internal accruals is not applicable.

Details of the Object of the Issue

The details in relation to the Objects of the Issue are set forth below:

1. Augmenting funds for maintenance of margin deposits with stock exchanges

We are a SEBI-registered stock broker and are required to maintain adequate margins with various stock exchanges i.e. BSE, NSE and MCX across multiple asset classes, including equity (cash), equity derivatives, currency derivatives and commodity derivatives, in the ordinary course of our trading operations. The margin requirements are determined by the

respective stock exchanges which are based on several factors such as trading volumes, market volatility and the level of open positions across these segments.

Such margin requirements comprise value-at-risk (“VaR”) margin, mark-to-market margin, extreme loss margin and other applicable margins in the equity (cash) segment, and initial margin, exposure margin, delivery margin, crystallised margin obligations and other applicable margins in the derivatives segments, including equity derivatives, currency derivatives and commodity derivatives. These margins are required to be deposited with the stock exchanges prior to undertaking any trade or assuming any open position and are required to be maintained until settlement or expiry, as applicable. Margin requirements may increase due to various factors, including changes in market volatility, and may be revised even where the underlying trade or open position remains unchanged. While we may receive approved securities from clients towards margin requirements, we may not, in certain cases, be able to deposit such securities with the stock exchanges due to the application of differing parameters or prudential norms prescribed by the relevant stock exchanges, and may therefore we may be required to deploy our own cash or other permitted collateral to meet such margin requirements on behalf of clients.

Margins with the stock exchanges may be deposited in the form, inter alia, of cash, fixed deposits, liens marked against the fixed deposits, bank guarantees, approved securities and/or treasury instruments. We intend to utilize part of Net Proceeds towards maintenance of margin with stock exchanges, which we are currently the members of, i.e. BSE, NSE, and MCX or any other stock exchange in future as may be applicable.

The efficient utilization of available capital is critical to our business, given the margin-intensive nature of our operations. In the ordinary course of business, our Company is required to maintain margins and collateral with stock exchanges and clearing corporations in accordance with applicable SEBI and stock exchange regulations. Pursuant to regulatory requirements prescribed by SEBI, at least 50% of total collateral are mandated to be maintained in the form of cash or cash equivalents, and accordingly brokers are required to maintain higher levels of cash collateral, either through upfront collection from clients or by deploying additional cash from their own resources. Further, SEBI regulations also requires margin obligations to be met through the Company’s own funds or funds raised from external sources, which may increase the Company’s working capital requirements.

In addition, expansion of our customer base is expected to further increase margin requirements in order to ensure continued compliance with applicable stock exchange and regulatory requirements. Our number of clients increased from 4,232,254 as at March 31, 2024 to 4,830,509 as at March 31, 2025 and further to 5,082,992 as at December 31, 2025, reflecting the scale-up of our operations and corresponding margin funding needs.

The table below sets forth historical margins deposited with different stock exchanges for different market segments:

(₹ in million)

Stock Exchange	Segment	As at December 31, 2025	As at March 31, 2025	As at March 31, 2024
NSE	Cash	12.50	50.91	12.50
	Equity Derivatives	7.50	7.50	47.50
	Currency	7.00	8.43	8.43
	Commodity Derivatives	5.05	5.05	5.00
BSE	Cash	4.50	4.50	4.50
	Equity Derivatives	2.00	2.00	2.00
	Currency	-	-	-
	Commodity Derivatives	-	-	-
Bank Guarantee - Fungible	BSE & NSE (All Segment)	3,800.00	4,000.00	3,700.00
Fixed Deposit - Fungible	BSE & NSE (All Segment)	7,987.10	8,573.30	10,958.16
MCX	Cash	107.35	7.25	6.91
	Equity Derivatives	-	-	-
	Currency	-	-	-
	Commodity Derivatives	-	-	-
	Bank Guarantee	1,200.00	1,000.00	900.00
Fixed Deposit - Fungible MCX	Fixed Deposit	1,113.30	104.00	123.75
Total margin deposits		14,246.30	13,762.93	15,768.75

Accordingly, we propose to utilise up to ₹2,270.00 million of the Net Proceeds towards maintenance of margin deposits with stock exchanges in order to support our ongoing trading operations.

2. *Repayment, prepayment and / or redemption, in full or part, of all or a portion of certain outstanding borrowings availed by our Company, including the interest accrued thereon*

Our Company has entered into various borrowing arrangements from time to time, with banks and financial institutions in the ordinary course of business. The outstanding borrowing arrangements entered into by our Company includes debt in the form of, among others, term loans, overdraft facilities and working capital demand loans. Further, our Company has also raised short-term funds through the issuance of commercial papers to various third parties in the ordinary course of business, which are utilised, inter alia, for margin trading facility funding and for meeting its working capital and liquidity requirements. As at February 15, 2026, our aggregate outstanding borrowings including the commercial papers amounted to ₹3,326.45 million.

Our Company proposes to utilize an amount of ₹1,500.00 million from the Net Proceeds towards part or full repayment, pre-payment and/or redemption of certain borrowings including redemption of such outstanding commercial papers availed / issued by our Company.

Given the nature of these borrowings and the terms of repayment, prepayment and/or redemption, the aggregate outstanding amounts under these borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of their existing borrowings prior to Allotment or avail additional credit facilities. Further, the outstanding amounts under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. Accordingly, our Company may utilize the Net Proceeds for part prepayment of any such refinanced facilities or repayment of any additional facilities obtained by our Company. Further, certain commercial papers set out in the table below may mature prior to the receipt of the Gross Proceeds. In such event, our Company may, from time to time, refinance the matured commercial papers by issuing new commercial papers. Such new issuances may carry different ISINs and may be subscribed to by different investors and/or bear different interest rates. However, the proceeds of such new commercial papers will continue to be utilised for margin trading facility funding and working capital purposes, being the same purposes for which the existing commercial papers were issued. Accordingly, our Company may utilise the Net Proceeds towards redemption of such new commercial papers, together with any interest accrued thereon. However, the aggregate amount to be utilized from the Net Proceeds towards repayment, prepayment and/or redemption, in part or full, of such borrowings (including refinanced or additional facilities availed, if any), would not exceed ₹1,500.00 million.

We believe that such repayment, pre-payment and/or redemption will help reduce our consolidated outstanding indebtedness and improve our profits on both a standalone and a consolidated basis by lowering our debt servicing costs, improve our net debt-to-equity ratio and enable utilization of our accruals for further investment in our business growth and expansion. Additionally, we believe that since our debt-equity ratio will improve, it will enable us to raise further resources at competitive rates in the future to fund potential business development opportunities to grow our business.

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The details of the loans availed by our Company that are proposed to be repaid or prepaid from the Net Proceeds are set forth below:

(₹ in million)

Sr. No.	Name of the lender	Date of applicable sanction letter	Nature of borrowing	Amount sanctioned as at February 15, 2026	Amount outstanding as at February 15, 2026	Applicable interest rate as at February 15, 2026	Repayment schedule	Date of Disbursement	Pre- payment penalty	Purpose for which the loan amount was sanctioned
1.	Infina Finance Private Limited	May 8, 2025	Loan against Receivables	400.00	400.00	10.00%	One year from the date of disbursement	May 15, 2025	Nil**	Loan against Margin Trading Facility
2.	IDFC First Bank Limited	The loan facilities were initially sanctioned pursuant to a letter dated May 21, 2021, as amended from time to time, and are presently governed by the latest renewed sanction letter dated August 28, 2025	Working Capital Demand Loan	1,500.00	300.00	10.25%	For a maximum period of three months from the date of drawdown, and repayable on demand	June 16, 2021**	Nil	Working Capital
3.	ICICI Bank Limited*	The loan facilities were initially sanctioned pursuant to a sanction letter dated July 5, 2024, as amended from time to time. The facilities are presently governed by the applicable credit arrangement letters, including credit arrangement letters dated January 21, 2025 and February 25, 2025, as further amended pursuant to an amendatory credit arrangement	Working Capital Demand Loan	1,000.00	150.00	I MCLR 3M + 1.85% (i.e. 10.00%)	For the maximum period of 180 days from the date of drawdown, and repayable on demand	August 30, 2024***	Nil	Working Capital

Sr. No.	Name of the lender	Date of applicable sanction letter	Nature of borrowing	Amount sanctioned as at February 15, 2026	Amount outstanding as at February 15, 2026	Applicable interest rate as at February 15, 2026	Repayment schedule	Date of Disbursement	Pre- payment penalty	Purpose for which the loan amount was sanctioned
		letter dated August 19, 2025.								

As certified by M/s. V Sankar Aiyar & Co, Chartered Accountants, pursuant to their certificate dated March 12, 2026

Notes:

* The facility sanction will be renewed on mutually agreed terms between the lender and the borrower.

** The prepayment penalty has been waived pursuant to mutual agreement between the lender and the borrower, as confirmed via email dated February 13, 2026.

*ⁱⁱ June 16, 2021, is date of initial disbursement. However, the Working Capital Demand Loan facilities operate on a drawdown basis within the sanctioned limits, and each drawdown constitutes a separate disbursement.

*ⁱⁱⁱ August 30, 2024, is date of initial disbursement. However, the Working Capital Demand Loan facilities operate on a drawdown basis within the sanctioned limits, and each drawdown constitutes a separate disbursement.

The details of the commercial paper availed by our Company that are proposed redeemed from the Net Proceeds are set forth below:

Sr. No.	Nature of facility	ISIN	Date of issue / Date of Disbursement	Date of maturity	Rate of Interest(%per annum)	Maturity amount	Purpose sanctioned of the facility
1.	Commercial Paper	INE618L14128	January 12, 2026	March 25, 2026	8.85%	100.00	Working capital towards Margin Trading Facility funding
2.	Commercial Paper	INE618L14060	August 4, 2025	March 27, 2026	9.05%	100.00	Working capital towards Margin Trading Facility funding
3.	Commercial Paper	INE618L14169	February 5, 2026	March 30, 2026	8.55%	350.00	Working capital towards Margin Trading Facility funding
4.	Commercial Paper	INE618L14177	February 9, 2026	March 31, 2026	7.50%	250.00	Working capital towards Margin Trading Facility funding
5.	Commercial Paper	INE618L14136	January 14,2026	April 10, 2026	8.85%	150.00	Working capital towards Margin Trading Facility funding
6.	Commercial Paper	INE618L14144	January 19,2026	April 17, 2026	8.70%	100.00	Working capital towards Margin Trading Facility funding

As certified by M/s. V Sankar Aiyar & Co, Chartered Accountants, pursuant to their certificate dated March 12, 2026

Our Company has and will consider the following factors for identifying the loans that will be repaid, prepaid or redeemed out of the Net Proceeds: (i) costs, expenses and charges relating to the facility/ borrowing including interest rates involved; (ii) presence of onerous terms and conditions under the facility; (iii) ease of operation of the facility; (iv) levy of any prepayment penalties and the quantum thereof; (v) terms of pre-payment to lenders, if any; (vi) mix of credit facilities provided by lenders; and (vii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

Some of the financing facilities availed by our Company provide for the levy of a prepayment penalty or charge as disclosed in the table above. In the event that there is any prepayment penalties required to be paid under the terms of relevant financing agreement, such prepayment penalties shall be paid by our Company out of the internal accruals of our Company, as applicable. In case we are unable to raise the Net Proceeds till the due date for repayment of any of the above-mentioned portion of the loans, the funds earmarked for such repayment may be utilized for payment of future instalments of the above-mentioned loan or other loans for an amount not more than the total amount and within the deployment schedule mentioned above.

The amounts outstanding under our borrowing facilities may fluctuate from time to time due to various factors, including intermediate repayments and additional drawdowns. Consequently, the outstanding borrowings under such facilities may vary periodically. Our Company may, from time to time, repay, refinance, enter into new financing arrangements, or draw down funds from existing borrowing facilities. In such cases, the Company may utilize a portion of the Net Proceeds from this offering towards the repayment, prepayment and/or redemption of existing or additional indebtedness, as may be determined based on various commercial considerations as set out above.

For the purposes of the Issue, our Company has intimated and has obtained necessary consents from their respective lenders, as is required under the relevant loan documentation for undertaking activities in relation to this Issue.

3. General Corporate Purposes

Our Company intends to deploy the balance Gross Proceeds, aggregating to ₹880.84 million towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the Gross Proceeds in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which the Net Proceeds may be utilised include, inter alia, expenses incurred in the ordinary course of business, such as human resource costs, including variable compensation for on-roll and off-roll employees and talent acquisition expenses; information technology infrastructure, including procurement of hardware (both capital and operating expenditure), software subscriptions, infrastructure support services, cloud storage, cybersecurity charges and related systems; leasing or renting of office premises and general office maintenance expenses, including repairs and annual maintenance charges; funding organic and inorganic growth initiatives, including performance marketing, affiliate partnerships, referral fees, brand-building and other marketing and promotional activities, and strengthening marketing and distribution capabilities; product enhancement and the introduction of new products, including API-related expenses; payment of technical, professional and consultancy fees; payment of fees, charges and other amounts payable to stock exchanges of which our Company is a member, including BSE, NSE, NCDEX and MCX, or any other stock exchange that our Company may become a member of in the future; investment in financial instruments to meet contingency requirements; and expenses relating to partnerships, subsidiaries, strategic tie-ups and other contingencies or expenditures incurred in the ordinary course of business that may not be specifically foreseen.

In addition to the above, our Company may utilise the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals.

ISSUE RELATED EXPENSES

The Issue related expenses include, among others, fees to various advisors, printing and distribution expenses, advertisement expenses and registrar and depository fees. The estimated Issue related expenses are as follows:

Particulars	Estimated expenses (in ₹ million)	As a % of total estimated Issue expenses*	As a % of the total Issue size
Brokerage, selling commission and upload fees	-	-	-
Registrar to the Issue	0.83	2.21%	0.02%
Legal advisors	8.00	21.40%	0.17%
Advertising and marketing expenses	0.70	1.86%	0.01%
Regulators including stock exchanges	12.46	33.33%	0.27%
Printing and distribution of issue stationery	1.02	2.73%	0.02%
Others (including banking charges and other incidental professional and administrative expenses relating to the Issue)	14.38	38.47%	0.31%
Total estimated Issue expenses**	37.39	100.00%	0.80%

Notes:

* In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes.

**Assuming full subscription in the Issue and Allotment with respect to the Rights Equity Shares.

INTERIM USE OF FUNDS

Our Company will have the flexibility to deploy the Net Proceeds towards the Objects outlined above subject to all applicable laws and regulations. Pending utilization for the purposes described above, our Company will deposit the Net Proceeds only with scheduled commercial banks included in the Second Schedule of the RBI Act, 1934 as may be approved by our Board or Committee. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in the equity shares of any other listed company or for any investment in equity markets.

APPRAISING ENTITY

None of the objects of the Issue for which the Net Proceeds will be utilised have been appraised by any bank, financial institution or any other external agency.

BRIDGE FINANCING FACILITIES

Our Company has not raised any bridge loan from any bank or financial institution as on the date of this Letter of Offer, which are proposed to be repaid from the Net Proceeds.

MONITORING OF UTILIZATION OF FUNDS

Our Company has appointed CARE Ratings Limited as the monitoring agency to monitor utilization of proceeds from the Issue, including the proceeds proposed to be utilised towards general corporate purposes. Our Company undertakes to place the Issue proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilization of the Issue proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee and before the Board of Directors without any delay, till 100% of the Issue proceeds have been utilized. Our Company will disclose and continue to disclose the utilization of the Issue proceeds, including interim use, under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, specifying the purposes for which the Issue proceeds have been utilized. Our Company will indicate instances, if any, of unutilized Gross Proceeds in the balance sheet of our Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue proceeds, which shall discuss, monitor and approve the use of the Gross Proceeds along with our Board. Further, pursuant to Regulation 32(5) of the SEBI Listing Regulations, on an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Letter of Offer and place it before the Audit Committee and make other disclosures as may be required until such time as the Issue proceeds remain unutilized. Such disclosure shall be made only until such time that all the Issue proceeds have been utilized in full. The statement prepared on an annual basis for utilization of the Issue proceeds shall be certified by the Statutory Auditors of our Company, which shall be submitted by our Company with the Monitoring Agency.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds

of the Issue from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Issue from the Objects. This information will also be published on our website and explanation for such variation (if any) will be included in our Directors' report, after placing it before the Audit Committee.

OTHER CONFIRMATIONS

There are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with our Promoters, Directors or Key Management Personnel of our Company and no part of the Net Proceeds will be paid as consideration to any of them. None of our Promoters, members of Promoter Group or Directors are interested in the Objects of the Issue.

There are no material existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoters, the Promoter Group, our Directors, our Key Managerial Personnel, members of the Senior Management or Associates.

Our Company does not require any material government and regulatory approvals in relation to the Objects of the Issue.

STRATEGIC OR FINANCIAL PARTNERS

There are no strategic or financial partners to the Company for the proposed Objects of the Issue.

KEY INDUSTRY REGULATIONS FOR THE OBJECTS OF THE ISSUE

No additional provisions of any acts, regulations, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

Date: February 24, 2026

To,

The Board of Directors

5paisa Capital Limited

IIFL House, Sun Infotech Park,

Road No.16V, Plot No. B-23,

Wagle Estate, Thane – 400604

Sub: Statement of possible special tax benefit (the “Statement”) available to 5paisa Capital Limited (the “Company”) and its shareholders prepared to comply with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018 as amended (the “SEBI ICDR Regulations) in connection with the proposed rights issue of equity shares of face value of ₹10 each (the “Equity Shares”) of the Company (such offering, the “Issue”)

We, M/s. V Sankar Aiyar & Co, Chartered Accountants, the statutory auditors of the Company, hereby confirm that the enclosed **Annexure A**, prepared by the Company and initialled by us for identification purpose (“**Statement**”) for the Issue, provides the possible special tax benefits available to the Company and, its shareholders under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961 and the Income-tax Rules, 1962, the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively, “**GST Act**”), Customs Act, 1962, the Customs Tariff Act, 1975, The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023-28) (read with the rules, regulations, circulars and notifications issued in connection thereto). Several of these benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company and its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

Any benefits under the taxation laws other than those specified in **Annexure A** are considered to be general tax benefits and therefore not covered within the ambit of this Statement. Further, any benefits available under any other laws within or outside India, except for those mentioned in the **Annexure A** have not been examined and covered by this statement.

The benefits discussed in the enclosed Statement are not exhaustive. The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

We do not express any opinion or provide any assurance as to whether:

1. the Company or its shareholders will continue to obtain these benefits in the future; or
2. the conditions prescribed for availing of the benefits, where applicable have been/would be met with.
3. The revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed Statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

We have conducted our review in accordance with the ‘Guidance Note on Reports or Certificates for Special Purposes’ issued by the Institute of Chartered Accountants of India (“**ICAI**”) which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this statement we have complied with the Code of Ethics issued by the ICAI.

We hereby consent to be named an “expert” under the Companies Act, 2013, as amended, and our name may be disclosed

as an expert to any applicable legal or regulatory authority insofar as may be required, in relation to the statements contained therein. We further confirm that we are not and have not been engaged or interested in the formation or promotion or management of the Company.

This certificate is issued for the purpose of the Issue, and can be used, in full or part, for inclusion in the draft letter of offer, letter of offer and any other material used in connection with the Issue (together, the “**Issue Documents**”) which may be filed by the Company with the BSE Limited and National Stock Exchange of India Limited (collectively, the “**Stock Exchanges**”), SEBI and/or any other regulatory or statutory authority.

This certificate may be relied on by the Company, their affiliates, legal counsel and other advisors in relation to the Issue.

We hereby consent to our name and the aforementioned details being included in the Issue Documents and/or consent to the submission of this certificate as may be necessary, to any regulatory/ statutory authority, stock exchanges, any other authority as may be required in connection with the Issue and in accordance with applicable law.

We undertake to immediately communicate, in writing, any changes to the above information/confirmations to the Company until the equity shares allotted in the Issue commence trading on the relevant stock exchanges. In the absence of any such communication from us, the Company and its advisors appointed with respect to Issue can assume that there is no change to the information/confirmations forming part of this certificate and accordingly, such information should be considered to be true and correct.

All capitalized terms used but not defined herein shall have the meaning assigned to them in the Issue Documents.

Yours faithfully,

For and on behalf of M/s. V Sankar Aiyar & Co
Chartered Accountants
Firm Registration Number: 109208W

Name: Asha Patel
Designation: Partner
Membership number: 166048
UDIN: 26166048JKGAKT2882

Place: Mumbai
Date: February 24, 2026

ANNEXURE A

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA

The information provided below sets out the possible tax benefits available to the Company, and the shareholders of the Company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares of the Company, under the current tax laws presently in force in India. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant Tax Laws. Hence, the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business / commercial imperatives a shareholder faces, may or may not choose to fulfil. We do not express any opinion or provide any assurance as to whether the Company or its shareholders will continue to obtain these benefits in future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement. The statement below covers only relevant special tax law benefits and does not cover benefits under any other law.

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, AND SHAREHOLDERS OF THE COMPANY

I. TAX BENEFITS AVAILABLE TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (“THE ACT”)

1. Section 115BAA: Corporate Tax Rate of 22%

In accordance with section 115BAA of the Act inserted by the Taxation Law Amendment Act, 2019, domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess). The option to apply this tax rate is available from FY 2019-20 relevant to AY 2020-21 and the option once exercised shall apply to subsequent assessment years. Further, the reduced rate of 22% is subject to the company not availing any of the following specified tax exemptions/incentives under the Act:

- Deduction u/s 10AA: Tax holiday available to units in a Special Economic Zone;
- Deductions available under the Chapter VI-A except under section 80JJAA and section 80M;
- Deduction u/s 32(1)(iia): Additional Depreciation;
- Deduction u/s 32AD: Investment allowance;
- Deduction u/s 35AD: Deduction for capital expenditure incurred on specified businesses;
- Deduction under certain sub-sections/clauses of Section 35: Expenditure on scientific research.

The total income of the company availing the rate of 22% is required to be computed without set-off of any carried forward loss attributable to any of the exemptions/incentives mentioned above. A company can exercise its option to apply for this reduced rate in its return of income filed u/s 139(1) of the Act. Further, provisions of MAT under section 115JB of the Act shall not be applicable to companies availing this reduced tax rate, thus any carried forward MAT credit cannot also be claimed.

The company is eligible to claim the reduced tax rate of 22% under section 115BAA of the Act effective FY 2019-20 on the following basis:

- The company is not availing any of the aforementioned deductions / exemptions, consequently there are no brought forward losses to this account;
- There is no brought forward MAT credit in the last income tax return filed for FY2018-19;
- There is no unabsorbed depreciation in the last income tax return filed for FY 2018-19.

The management of the company has decided to opt for the reduced tax rate from FY 2019-20 onwards.

2. Section 80M: Deduction on inter-corporate dividends

The Dividend Distribution Tax (DDT) regime under the tax laws was applicable till 31 March 2020 and dividends were not subject to tax in the hands of the shareholders. The Finance Act 2020 abolished DDT with effect from 1 April 2020. It also inserted section 80M of the Act effective 1 April 2020 to eliminate the cascading tax effect in case

of inter-corporate dividends by providing a deduction in respect of dividends received by a domestic company, to the extent such dividend is distributed by it on or before the due date. In this case, due date means one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the Act.

The company has four subsidiaries and should be eligible to claim this deduction in respect of dividends received from the subsidiaries and further distributed to its shareholders subject to conditions of section 80M of the Act.

3. Section 80JJAA: Deduction in respect of employment of new employees

In accordance with and subject to the conditions specified under Section 80JJAA of the Act, a company is entitled to a deduction of an amount equal to 30% of additional employee cost incurred in the course of business in a previous year, for three consecutive assessment years including the assessment year relevant to the previous year in which such additional employment cost is incurred. Additional employee cost means the total emoluments paid or payable to additional employees employed in the previous year. The deduction under section 80JJAA would continue to be available to the company even where the company opts for the lower tax rate of 22% under the provisions of section 115BAA of the Act.

The company should be eligible to claim this deduction in case it incurs additional employee cost within the meaning of Explanation (i) to sub-section (2) of Section 80JJAA of the Act and satisfies the conditions mentioned in the section.

4. Section 80G: Deduction in respect of donations

According to the provisions of section 80G(1)(ii) of the Act, donations made to specified eligible institutions other than those prescribed under clause (2) of section 80G of the Act, an amount equal to 50% of such aggregate of sums paid shall be allowed as deduction while computing the taxable income. The company would be eligible to claim deduction under section 80G for FY 2019-20 subject to satisfaction of conditions prescribed. However, with effect from FY 2020-21, this deduction will not be available where the Company opts for the reduced corporate tax rate of 22%.

II. TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY UNDER THE INCOME TAX ACT, 1961

The following tax benefits are available to the Shareholders under the Income Tax Act, 1961 due to their specified status.

1. Tax benefits available to resident shareholders

- With the abolition of DDT, dividends are now taxed in the hands of shareholders at applicable rates. However, companies are required to withhold taxes at prescribed rates in certain cases.
- The dividend income will be subject to tax in the hands of the resident shareholder at the tax rates applicable to the respective recipient.
- Section 194 of the Act casts an obligation on an Indian company to deduct tax at source at the applicable rates in force, while making any distribution or payment of any dividend to a resident exceeding ₹ 5,000.
- Long term capital gains on transfer on shares on which Securities Transactions Tax has been paid will be subject to tax in the hands of shareholders as per the provisions of Section 112A of the Act at 12.50% (plus applicable surcharge and cess).
- Short term capital gains arising on transfer of shares on which Securities Transactions Tax has been paid will be subject to tax in the hands of shareholders as per the provisions of Section 111A of the Act at 20% (plus applicable surcharge and cess).

2. Tax benefits available to Non-resident shareholders including FPI's

- The dividend income will be subject to tax in the hands of the non-residents at the rate of 20% (plus applicable surcharge and cess) as per the provisions of sections 115AD (for FPI's) and 115A (other non-residents) of the Act. The shareholder may choose to be governed by the provisions of Double Taxation Avoidance Agreement, to the extent they are more beneficial.
- The Company is required to withhold taxes while remitting dividend to non-resident shareholders at 20% or the rate prescribed under the Double Taxation Avoidance Agreement, whichever is more beneficial to the shareholder.
- Long term capital gains on transfer on shares on which Securities Transactions Tax has been paid will be subject to tax in the hands of shareholders as per the provisions of Section 112A of the Act at 12.50% (plus applicable surcharge and cess).

- applicable surcharge and cess).
- Short term capital gains arising on transfer of shares on which Securities Transactions Tax has been paid will be subject to tax in the hands of shareholders as per the provisions of Section 111A of the Act at 20% (plus applicable surcharge and cess).

Notes:

- i. The above statement of tax benefits sets out the special tax benefits available to the Company, and its shareholders under the tax laws mentioned above.
- ii. The above Statement covers only above-mentioned tax laws benefits and does not cover any general tax benefits under any other law.
- iii. This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- iv. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.
- v. This statement does not discuss any tax consequences under any law for the time being in force, as applicable of any country outside India. The shareholders / investors are advised to consult their own professional advisors regarding possible tax consequences that apply to them in any country other than India.
- vi. The Union Budget for FY 2026-27 has been recently announced; however, it is yet to be approved and passed by Parliament. Accordingly, the proposals and amendments contained therein remain subject to parliamentary approval and may undergo changes before becoming effective. Therefore, the provisions of the said Budget should be treated as proposed amendments until they are duly enacted into law.

SECTION IV: ABOUT THE COMPANY

OUR MANAGEMENT

As on the date of this Letter of Offer, our Board comprises of eight Directors comprising of one Managing Director and Chief Executive Officer, one Whole-time Director and Chief Financial Officer, one Whole-time Director and Chief Technology Officer, and five Non-Executive Independent Directors (including two women Non- Executive Independent Directors). The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act and the SEBI Listing Regulations

OUR BOARD OF DIRECTORS

The following table sets forth the details regarding our Board as on the date of this Letter of Offer:

Sr. No.	Name, Date of Birth, Age, Designation, Occupation, Address, Nationality, Current term, DIN and Period of Directorship	Other Directorships
1.	<p>ARCHANA NIRANJAN HINGORANI <i>Date of Birth:</i> September 9, 1965 <i>Age:</i> 60 Years <i>Designation:</i> Chairperson and Non-Executive Independent Director <i>Occupation:</i> Self-employed <i>Address:</i> 701, Orchid Breeze, 7th Floor 16th Road, Opp. Khar Gymkhana Ground, Khar, Mumbai 400052 <i>Nationality:</i> Indian <i>Current term:</i> 2nd term of 5 years with effect from June 07, 2022 <i>DIN:</i> 00028037 <i>Period of Directorship:</i> Since June 07, 2017</p>	<p>Indian Companies:</p> <ol style="list-style-type: none"> 1. Mafatlal Industries Limited 2. Grindwell Norton Limited 3. EMA Partners India Limited 4. The Phoenix Mills Limited 5. Balaji Telefilms Limited 6. SIDBI Venture Capital Limited 7. SBI Mutual Fund Trustee Company Private Limited <p>Foreign Companies:</p> <ol style="list-style-type: none"> 1. Zumutor Biologics Inc., USA
2.	<p>GAURAV SETH <i>Date of Birth:</i> July 8, 1976 <i>Age:</i> 49 Years <i>Designation:</i> Managing Director and Chief Executive Officer <i>Occupation:</i> Service <i>Address:</i> Flat No. 12, GHS – 13, Sector 20, Panchkula, Haryana, 134116 <i>Nationality:</i> Indian <i>Current term:</i> 5 years with effect from January 17, 2025 <i>DIN:</i> 10415364 <i>Period of Directorship:</i> Since January 17, 2025</p>	<p>Indian Companies:</p> <p>Nil</p> <p>Foreign Companies:</p> <p>Nil</p>
3.	<p>GOURAV MUNJAL <i>Date of Birth:</i> June 16, 1988 <i>Age:</i> 37 Years <i>Designation:</i> Whole-Time Director and Chief Financial Officer <i>Occupation:</i> Service <i>Address:</i> B-501, Sparta CHS, Hiranandani Estate, Opposite Bhoomi Acres Phase II, Thane - 400607, Maharashtra <i>Nationality:</i> Indian <i>Current term:</i> 5 years with effect from January 16, 2023 <i>DIN:</i> 06360031 <i>Period of Directorship:</i> Since January 16, 2020</p>	<p>Indian Companies:</p> <ol style="list-style-type: none"> 1. 5paise P2P Limited 2. 5paise Corporate Services Limited 3. 5paise Trading Limited 4. 5paise International Securities (IFSC) Limited <p>Foreign Companies:</p> <p>Nil</p>
4.	<p>AMEYA AGNIHOTRI <i>Date of Birth:</i> May 22, 1982 <i>Age:</i> 43 Years <i>Designation:</i> Whole-Time Director and Chief Technology Officer <i>Occupation:</i> Service <i>Address:</i> Flat No. 1142, 14th Floor, Tower 1, Prestige White Meadows, Whitefield Main Road, (Behind Whitefield Police Station), Pattandur Agrahara, Whitefield, PO Whitefield, Dist Bengaluru, Karnataka-560066 <i>Nationality:</i> Indian <i>Current Term:</i> 5 years with effect from July 13, 2024 <i>DIN:</i> 07680132 <i>Period of Directorship:</i> Since July 13, 2024</p>	<p>Indian Companies:</p> <ol style="list-style-type: none"> 1. 5paise P2P Limited 2. 5paise Corporate Services Limited 3. 5paise Trading Limited 4. 5paise International Securities (IFSC) Limited <p>Foreign Companies:</p> <p>Nil</p>

Sr. No.	Name, Date of Birth, Age, Designation, Occupation, Address, Nationality, Current term, DIN and Period of Directorship	Other Directorships
5.	<p>NIRALI SHARAD SANGHI Date of Birth: May 14, 1968 Age: 57 Years Designation: Non-Executive Independent Director Occupation: Self-employed Address: 23, Sea Gull, Carmichael Road, Near Japanese Consulate, Cumballa Hill, Mumbai 400 026 Nationality: American Current Term: 2nd term of 5 years with effect from January 11, 2023 DIN: 00319389 Period of Directorship: Since January 11, 2018</p>	<p>Indian Companies:</p> <ol style="list-style-type: none"> India Parenting Private Limited <p>Foreign Companies:</p> <p>Nil</p>
6.	<p>MILIN K MEHTA Date of Birth: September 8, 1964 Age: 61 Years Designation: Non-Executive Independent Director Occupation: Service Address: Tridalam, 2 Nilamber Palms, Near, Bright School, Vasna-bhaily Road, Bhayli, Vadodara, Gujarat - 391410 Nationality: Indian Current Term: 2nd term of 5 years with effect from April 01, 2025 DIN: 01297508 Period of Directorship: Since April 01, 2020</p>	<p>Indian Companies:</p> <ol style="list-style-type: none"> Shiva Pharmachem Limited Atlanta Electricals Limited Farmson Basic Drugs Private Limited Patel Vijyaben Trusteeship Private Limited Farmson Pharmaceutical Gujarat Private Limited ARK Foundation For The Arts Styrenix Performance Materials Limited Vadodara Marathon Indusface Private Limited VA Tech Wabag Limited Technokraft Products Private Limited Rubamin Private Limited Deepak Chem Tech Limited Gujarat Life Sciences Private Limited Deepak Phenolics Limited <p>Foreign Companies:</p> <p>Nil</p>
7.	<p>SARAT KUMAR MALIK Date of Birth: March 12, 1961 Age: 64 Years Designation: Non-executive Independent Director Occupation: Service Address: A-202, Velentine Apt-1, A-2 Building, Gen Arun Kumar Vaidya Marg, Opp. Jerry Verghese Compound, Malad East, Mumbai - 400097. Nationality: Indian Current Term: 1st term of 5 years with effect from July 08, 2025 DIN: 09791314 Period of Directorship: Since July 08, 2025</p>	<p>Indian Companies:</p> <ol style="list-style-type: none"> String Metaverse Limited Spacenet Enterprises India Limited <p>Foreign Companies:</p> <p>Nil</p>
8.	<p>ZOR GORELOV Date of Birth: June 7, 1964 Age: 61 Years Designation: Non-executive Independent Director Occupation: Self Employed Address: 270 Riverside Drive, Apt 11D, New York, NY, 10025 Nationality: American Current Term: 1st term of 5 years with effect from October 09, 2025 DIN: 11329941 Period of Directorship: Since October 09, 2025</p>	<p>Indian Companies:</p> <p>Nil</p> <p>Foreign Companies:</p> <p>Nil</p>

DETAILS OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Key Managerial Personnel

	Particulars	Designation
1.	Gaurav Seth	Managing Director and Chief Executive Officer
2.	Gourav Munjal	Whole-time Director and Chief Financial Officer
3.	Ameya Agnihotri	Whole-time Director and Chief Technology Officer
4.	Charvi Ajay Panchmatia	Company Secretary and Compliance Officer
5.	Yogesh Maroli*	Chief Information Security Officer

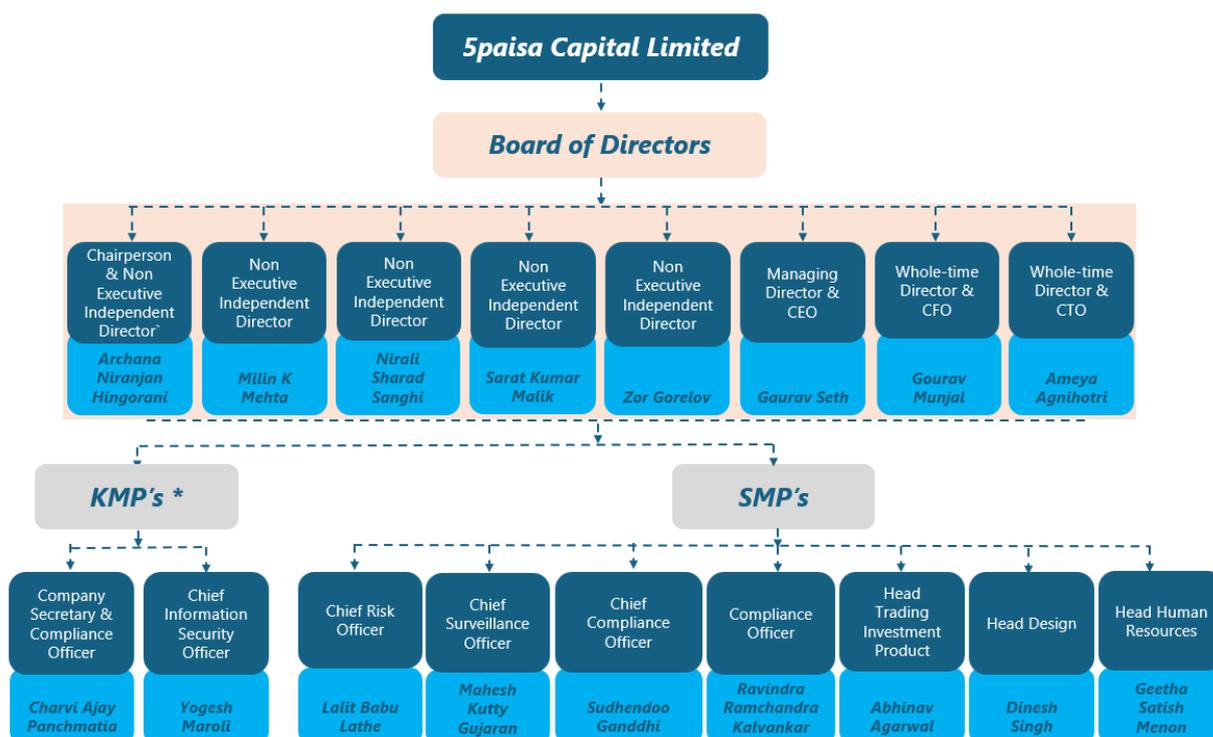
*Appointment pursuant to SEBI (Stock Broker) Regulations, 1992 and SEBI Circular No. SEBI/HO/MIRSD-PoD - 1/P/CIR/2023/24 dated February 06, 2023

Senior Management (excluding Key Managerial Personnel)

Sr. no.	Particulars	Designation
1.	Lalit Babu Lathe	Chief Risk Officer
2.	Mahesh Kutty Gujaran	Chief Surveillance Officer
3.	Sudhendo Ganddhi*	Chief Compliance Officer
4.	Ravindra Ramchandra Kalvankar*	Compliance Officer
5.	Abhinav Agarwal	Head – Trading Investment Product
6.	Dinesh Singh	Head – Design
7.	Geetha Satish Menon	Head – Human Resources

*Appointment pursuant to Regulation 18A of SEBI (Stockbroker) Regulation, 1992 read with circular issued by NSE Vide Circular Reference No. NSE/COMP/54600B dated November 25, 2022.

Management Organization Chart



* Other than Board of Directors.

SECTION V - FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Sr. No.	Particulars	Website link
1.	Audited Consolidated Financial Statements for the financial year ended March 31, 2025 along with a comparative period for Fiscal 2024.	https://www.5paisa.com/investor-relations
2.	Unaudited Consolidated Financial Results for the nine months period ended December 31, 2025 along with a comparative period for nine months period ended December 31, 2024.	

FINANCIAL INFORMATION

Set forth below is an extract from Unaudited Consolidated Financial Results for the nine months period ended December 31, 2025 along with a comparative period for nine months period ended December 31, 2024, the Audited Consolidated Financial Statements for Fiscal 2025 along with a comparative period for Fiscal 2024, prepared in accordance with applicable accounting standards, as disclosed to the Stock Exchanges:

(except for per share data, in ₹ million)

Sr. No.	Particulars	As at and for the nine months period ended December 31, 2025 <i>(Limited Review)</i>	As at and for the nine months period ended December 31, 2024 <i>(Limited Review)</i>	As at and for the year ended March 31, 2025 <i>(Audited)</i>	As at and for the year ended March 31, 2024 <i>(Audited)</i>
1.	Revenue from operations	2,341.33	2,883.00	3,595.70	3,945.71
2.	Other income	2.77	1.39	2.76	1.65
3.	Total income	2,344.11	2,884.39	3,598.46	3,947.36
4.	Net profit/loss before tax and extraordinary items	447.71	777.49	912.19	721.26
5.	Net profit/loss after tax and extraordinary items	333.30	581.67	682.34	544.41
6.	Equity share capital	312.42	312.24	312.36	311.91
7.	Reserves and surplus	Not available*	Not available*	5,724.06	5,086.95
8.	Net-worth ⁽¹⁾	Not available*	Not available*	6,036.42	5,398.86
9.	Earnings per Share (Basic) (in ₹) ⁽²⁾	10.67 [^]	18.64 [^]	21.86	17.65
10.	Earnings per Share (Diluted) (in ₹) ⁽³⁾	10.64 [^]	18.52 [^]	21.79	16.67
11.	Return on Net Worth (%) ⁽⁴⁾	Not available*	Not available*	11.90	10.90
12.	Net Asset Value per Share (in ₹) ⁽⁵⁾	Not available*	Not available*	193.25	173.09

Notes:

[^]not annualised

* The limited review unaudited consolidated financial results for the nine months period ended December 31, 2025 and December 31, 2024 do not include the balance sheet numbers and hence the disclosure is not available.

(1) Net-worth is calculated based on the definition given under section 2(57) of the Companies Act, 2013. It includes paid-up share capital plus free reserves and surplus plus securities premium account and excludes non-controlling interest, capital reserve and debenture redemption reserve.

(2) Basic Earnings per share is calculated as Net Profit/loss for the period / year attributable to owners of our Company/ weighted average number of Equity Shares outstanding during the period/year.

(3) Diluted Earnings per share is calculated as Net Profit/loss for the period / year attributable to owners of our Company/weighted average number of Equity Shares outstanding during the period/year, as adjusted for the effect of dilutive Equity Shares.

(4) Return on Net-worth is calculated as Net profit/loss after tax and extraordinary items for the period / year divided by Average Net-worth

(5) Net assets value per equity share is calculated as Net-worth divided no. of Equity share outstanding as at the end of the period/year.

The Audited Consolidated Financial Statements and Unaudited Consolidated Financial Results of our Company is uploaded on the website of our Company at www.5paisa.com/investor-relations

DETAILED RATIONALE FOR THE ISSUE PRICE

The Issue Price will be determined by our Company on the basis of various qualitative and quantitative factors as described below:

Qualitative factors

Some of the qualitative factors which form the basis for computing the Issue Price are set forth below:

- Established digital-first platform with pan-India presence** - We operate a technology-driven discount broking platform offering integrated access to diverse financial products through a unified digital ecosystem. We have a presence across metropolitan and emerging markets, reflecting penetration beyond traditional financial centres, supported by digital acquisition and partner networks.
- Digital-first asset-light model** - We operate a technology-driven, asset-light platform with automated processes across onboarding, servicing, compliance, and risk management. This framework supports operational scalability and cost efficiency.
- Comprehensive multi-asset trading and investment platform** - Our platform offers a comprehensive suite of products, including equity trading, futures and options, currency and commodity derivatives, and Margin Trading Facility (MTF). It also facilitates long-term investing through mutual fund distribution and IPO applications, enabling participation across both trading and investment cycles.
- Customer-centric digital experience** - Our mobile and web platforms serve both new investors and advanced traders through intuitive design, transparent pricing, and integrated service access. The platform combines simplified investing with advanced trading capabilities, including the FnO 360 framework that integrates education, strategy tools, and market insights to support structured participation in the F&O segment. Features include paperless account opening, real-time market data, advanced charting and analytics tools, seamless fund transfers, and a mobile-first interface enabling order execution across asset classes.
- Digital branding** – We have established a digital brand presence across India through our online platforms and customer engagement initiatives. Our digital channels support customer acquisition and engagement across urban and emerging markets.
- Experienced management and strong governance** - Our leadership team combines financial services and technology expertise, with a focus on innovation and regulatory alignment, supported by compliant governance practices.

Quantitative factors

Some of the quantitative factors which form the basis for computing the Issue Price are set forth below:

1. Basic and Diluted Earnings per Share (EPS)

(in ₹)

For the year/period ended	Basic EPS ⁽¹⁾	Diluted EPS ⁽²⁾
For the year ended March 31, 2024	17.65	16.67
For the year ended March 31, 2025	21.86	21.79
For the nine months period ended December 31, 2024 ⁽³⁾	18.64	18.52
For the nine months period ended December 31, 2025 ⁽³⁾	10.67	10.64

Notes:

- Basic EPS: Net Profit for the year attributable to owners of our Company/ weighted average number of Equity Shares outstanding during the year/period*
- Diluted EPS: Net Profit for the year attributable to owners of our Company/weighted average number of Equity Shares outstanding during the year/period as adjusted for effect of dilutive Equity Shares*
- Not annualized*

2. Net Asset Value (NAV)

(in ₹)

Fiscal ending	Book value per share
March 31, 2024	173.09
March 31, 2025	193.25

Note:

Net asset value per Equity Share is calculated as Net Worth divided by the number of Equity Shares outstanding at the end of the year.

3. Return on Net Worth (RoNW)

For the year ended	RoNW(%)⁽¹⁾
For the year ended March 31, 2024	10.90%
For the year ended March 31, 2025	11.90%

Note:

(1) Return on Net-Worth is calculated as Net profit/loss after tax and extraordinary items for the year divided by the average Net Worth

The ex-rights price of the Equity Shares as per regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ 337.37 per Equity Share.

The Issue Price is 30.00 times the face value of the Equity Shares.

SECTION VI: GOVERNMENT APPROVALS OR LICENSING ARRANGEMENTS

Our Company requires various licences, registrations, permits and approvals issued by relevant central and state authorities under various rules and regulations for carrying on its present business activities. Further, our obligation to obtain and renew such licences, registrations, permits and approvals may arise periodically and applications for such approvals are made/will be made at the appropriate stage.

Our Company is not required to obtain any licenses or approvals from any government or regulatory authority for the purposes of the objects of this Issue. For further details, refer to the chapter titled "*Objects of the Issue*" beginning at page 50.

OTHER REGULATORY AND STATUTORY DISCLOSURE

AUTHORITY FOR THE ISSUE

The Issue has been authorised by a resolution of our Board of Directors passed at its meeting held on February 24, 2026, pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act, 2013.

The Draft Letter of Offer has been approved by our Board of Directors pursuant to its resolution dated February 24, 2026. Further, this Letter of Offer has been approved by the Board of Directors pursuant to its resolution dated March 11, 2026. The terms and conditions of the Issue including the Rights Entitlement, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by the Board of Directors at its meeting held on March 11, 2026.

The Board of Directors, in its meeting held on March 11, 2026 has resolved to issue the Rights Equity Shares to the Eligible Equity Shareholders, at the Issue Price of ₹300.00 per Rights Equity Share (including a premium of ₹290.00 per Rights Equity Share) and Rights Entitlement as 1 (One) Rights Equity Shares for every 2 (Two) Equity Shares held on the Record Date aggregating up to ₹4,688.23 million*. The Issue Price of ₹300.00 per Rights Equity Share has been arrived at by our Company prior to determination of the Record Date.

** Assuming full subscription in the Issue and subject to finalisation of the basis of allotment.*

Our Company has received in-principle approvals from BSE and NSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Rights Equity Shares to be Allotted in the Issue pursuant to their letters, each dated March 05, 2026. Our Company will also make applications to BSE and NSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular.

Our Company has been allotted the ISIN: INE618L20018 for the Rights Entitlements to be credited to the respective demat accounts of Allottees. For details, see "**Terms of the Issue**" beginning on page 76.

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, the members of the Promoter Group and our Directors have not been debarred from accessing capital markets. Further, our Company, our Promoters, the members of the Promoter Group and our Directors are not prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

None of our Promoters or Directors is a promoter or director of any other company which is debarred from accessing the capital market by SEBI.

Except for the association of our Directors with our Company, none of our Directors are associated with the securities market in any manner.

There is no outstanding action initiated by SEBI against any of our Directors, who have been associated with the securities market.

None of our Promoters or Directors are declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

Our Equity Shares are not suspended from trading during the last three years from the date of this Letter of Offer.

PROHIBITION BY RBI

Neither our Company nor any of our Promoters or any of our Directors have been or are identified as a Wilful Defaulter or a Fraudulent Borrower.

ELIGIBILITY FOR THE ISSUE

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the Stock Exchanges. Our Company is eligible to offer Rights Equity Shares pursuant to the Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking the Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations.

COMPLIANCE WITH REGULATIONS 61 AND 62 OF THE SEBI ICDR REGULATIONS

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company has made applications to the BSE and NSE and has received their in-principle approvals through their letters, each dated March 05, 2026 for listing of the Rights Equity Shares to be Allotted pursuant to the Issue.

COMPLIANCE WITH SEBI LISTING REGULATIONS

Our Company is in compliance with the SEBI Listing Regulations for a period of last three years immediately preceding the date of filing of this Letter of Offer.

DISCLOSURE UNDER PART B OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS

The disclosures in this Letter of Offer are in terms of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable for the last three years immediately preceding the date of filing of this Letter of Offer with the Designated Stock Exchange.
2. The reports, statements and information referred to above are available on the websites of www.5paisa.com/investor-relations; and
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances. We have not received complaints from our investors up to the end of the quarter immediately preceding the month of the reference date.

CAUTION

Our Company shall make all information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Letter of Offer. No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This Letter of Offer is an offer to sell only the Rights Equity Shares and rights to purchase the Rights Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Letter of Offer is current only as of its date. Our Company accepts no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares.

DISCLAIMER WITH RESPECT TO JURISDICTION

This Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, Maharashtra only.

DESIGNATED STOCK EXCHANGE

The Designated Stock Exchange for the purpose of the Issue is BSE.

DISCLAIMER CLAUSE OF BSE

The disclaimer clause as intimated by BSE to our Company, vide their in-principle approval dated March 05, 2026, is as under:

BSE Limited ("**the Exchange**") has given vide its letter dated March 05, 2026, permission to this Company to use the Exchange's name in this Letter of Offer as the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- Warrant, certify or endorse the correctness or completeness of any of the contents of this Letter of Offer; or
- Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this Letter of Offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

DISCLAIMER CLAUSE OF NSE

The disclaimer clause as intimated by NSE to our Company vide their in-principle approval dated March 05, 2026 is as under:

As required, a copy of this Letter of Offer has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref. No. NSE/LIST/53722 dated March 05, 2026 permission to the Issuer to use the Exchange's name in this Letter of Offer as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that this Letter of Offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Letter of Offer; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE U.S. STATE SECURITIES LAWS. ACCORDINGLY, THE RIGHTS EQUITY SHARES ARE ONLY BEING OFFERED AND SOLD OUTSIDE THE UNITED STATES IN "OFFSHORE TRANSACTIONS" AS DEFINED IN AND IN RELIANCE ON REGULATIONS UNDER THE U.S. SECURITIES ACT TO ELIGIBLE EQUITY SHAREHOLDERS LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE IS PERMITTED UNDER THE LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, YOU SHOULD NOT FORWARD OR TRANSMIT THIS LETTER OF OFFER INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No Application Form should be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Letter of Offer or where any action would be required to be taken to permit the Issue. Our Company is undertaking the Issue on a rights basis to the Eligible Equity Shareholders and will dispatch this Letter of Offer and Application Form only to Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who purchases or sells Rights Entitlements or makes an application for Rights Equity Shares will be deemed to have represented, warranted and agreed, by accepting the delivery of this Letter of Offer, that it is not and that at the time of subscribing for the Rights Equity Shares or the purchase or sale of Rights Entitlements, it will not be, in the United States and is authorized to purchase or sell the Rights Entitlement and subscribe to the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or any other jurisdiction where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States and such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with the Issue; or (iii) where either a registered Indian address is not provided; or (iv) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

FILING

The Draft Letter of Offer was filed with the Stock Exchanges as per the provisions of the SEBI ICDR Regulations. Further, this Letter of Offer is being filed with the Stock Exchanges and with SEBI in accordance with SEBI ICDR Regulations.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

Our Company has adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements in compliance with the Listing Agreements and the SEBI Listing Regulations. We have been registered with the

SEBI Complaints Redress System (SCORES) as required by the SEBI circular no. CIR/OIAE/2/2011 dated June 3, 2011 and shall comply with the SEBI circular bearing reference number SEBI/HO/OIAE/CIR/P/2023/156 dated September 20, 2023 and any other circulars issued in this regard.

Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism. Our Company has a Stakeholders' Relationship Committee which meets at least once every year and as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. MUFG Intime India Private Limited (*formerly known as Link Intime India Private Limited*) is our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with our Company Secretary and Compliance Officer.

The investor complaints received by our Company are generally disposed of within 21 days from the date of receipt of the complaint. Further, our Company, has not received any complaints for the quarter ending December 31, 2025.

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs, giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please see "Terms of the Issue" beginning on page 76.

The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:

Registrar to the Issue

**MUFG Intime India Private Limited
(formerly Link Intime India Private Limited)**

C-101, 1st Floor, Embassy 247,
LBS Marg, Surya Nagar, Gandhi Nagar Vikhroli (West),
Mumbai -400 083, Maharashtra, India.

Telephone Number: +91 81081 14949

Email: 5paisacap.rights2026@in.mpms.mufig.com

Website: www.in.mpms.mufig.com

Contact Person: Shanti Gopalakrishnan

Investor Grievance e-mail: 5paisacap.rights2026@in.mpms.mufig.com

SEBI Registration No.: INR000004058

CIN: U67190MH1999PTC118368

COMPANY SECRETARY AND COMPLIANCE OFFICER

Charvi Ajay Panchmatia is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Charvi Ajay Panchmatia

Company Secretary and Compliance Officer

Address: IIFL House, Sun Infotech Park,
Road No. 16V, B-23, MIDC,
Thane Industrial Area, Wagle Estate, Thane - 400604.
Maharashtra, India

Telephone: +91 2242035000

E-mail: csteam@5paisa.com

Website: <https://5paisa.com/>

OTHER CONFIRMATIONS

Our Company, in accordance with Regulation 79 of the SEBI ICDR Regulations, shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making an Application, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person for making an Application.

SECTION VII: ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in the Issue. Investors should carefully read the provisions contained in this Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company shall not be responsible for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, Investors proposing to apply in the Issue can apply only through ASBA or any other mode which may be notified by SEBI.

For guidance on the application process through ASBA and resolution of difficulties faced by investors, you are advised to read the frequently asked question (FAQs) on the website of the Registrar at <https://in.mpms.mufg.com/> and on the website of our Company at <https://5paisa.com/>.

Our Company has opened a separate demat suspense escrow account (namely, “MIPL 5PAISA CAPITAL LIMITED RIGHTS ESCROW DEMAT ACCOUNT”) (“Demat Suspense Account”) and would credit Rights Entitlements on the basis of the Equity Shares: (a) held by Eligible Equity Shareholders which are held in physical form as on Record Date; or (b) which are held in the account of the Investor Education and Protection Fund (“IEPF”) authority; (c) or of which of the Eligible Equity Shareholder(s) whose demat accounts are frozen or where the Equity Shares are lying in the unclaimed/ suspense escrow account / demat suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date or where Equity Shares have been kept in abeyance or where entitlement certificate has been issued or where instruction has been issued for stopping issue or transfer or where letter of confirmation lying in escrow account; or (d) where credit of the Rights Entitlements have returned/reversed/failed for any reason; or (e) where ownership is currently under dispute, including any court or regulatory proceedings or where legal notices have been issued, if any or (f) such other cases where our Company is unable to credit Rights Entitlements for any other reasons.

Our Company shall credit the Rights Entitlements to the Demat Suspense Account on the basis of information available with our Company and to serve the interest of relevant Eligible Equity Shareholders to provide them with a reasonable opportunity to participate in the Issue. The credit of the Rights Entitlements to the Demat Suspense Account by our Company shall not be deemed to create any right in favour of the relevant Eligible Equity Shareholders for transfer of Rights Entitlement to their demat account or to receive any Equity Shares in the Issue.

With respect to the Rights Entitlements credited to the Demat Suspense Account, the Eligible Equity Shareholders are required to provide relevant details / documents as acceptable to our Company or the Registrar (such as applicable regulatory approvals, self-attested PAN and client master sheet of demat account, details/ records confirming the legal and beneficial ownership of their respective Equity Shares, etc.) to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date to enable credit of their Rights Entitlements by way of transfer from the Demat Suspense Account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in the Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar, account is active to facilitate the aforementioned transfer. In the event that the Eligible Equity Shareholders are not able to provide relevant details to our Company or the Registrar by the end of two clear Working Days prior to the Issue Closing Date, Rights Entitlements credited to the Demat Suspense Account shall lapse and extinguish in due course and such Eligible Equity Shareholder shall not have any claim against our Company and our Company shall not be liable to any such Eligible Equity Shareholder in any form or manner and such lapsing of Rights Entitlements may dilute and adverse impact the interest of certain Eligible Equity Shareholders.

Further, with respect to Equity Shares for which Rights Entitlements are being credited to the Demat Suspense Account, the Application Form along with the Rights Entitlement Letter shall not be dispatched till the resolution of the relevant issue/concern and transfer of the Rights Entitlements from the Demat Suspense Account to the respective demat account other than in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date who will receive the Application Form along with the Rights Entitlement Letter. Upon submission of such documents /records no later than two clear Working Days prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

OVERVIEW

This Issue and the Right Equity Shares proposed to be issued, are subject to the terms and conditions contained in this Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI ICDR Regulations, the SEBI LODR Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice.

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Materials shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Materials. Furthermore, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If the Issue Materials are received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares. For more details, see ***“Restrictions on Purchases and Resales”*** beginning on page 100.

This Letter of Offer, Application Form, the Rights Entitlement Letter and other Issue Material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address, this Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue Material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their valid e-mail address, then the Application Form, the Rights Entitlement Letter and other Issue Material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Investors can access this Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe to the Rights Equity Shares under applicable laws) on the websites of:

- (i) our Company at <https://5paisa.com/>;
- (ii) the Registrar at <https://web.in.mpms.mufg.com/rightsoffers/rightsissues-Knowyourapplication.aspx>; and
- (iii) the Stock Exchanges at www.bseindia.com and www.nseindia.com.

To update the respective Indian addresses/e-mail addresses/phone or mobile numbers in the records maintained by the Registrar or by our Company, Eligible Equity Shareholders should visit <https://in.mpms.mufg.com/>

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., <https://web.in.mpms.mufg.com/rightsoffers/rightsissues-Knowyourapplication.aspx>) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company at <https://5paisa.com/>.

Please note that neither our Company nor the Registrar shall be responsible for not sending the physical copies of Issue Materials, including this Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of this Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

The distribution of this Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that the Draft Letter of Offer has been filed with the Stock Exchanges and this Letter of Offer is being filed with the Stock Exchanges and SEBI. Accordingly, Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer,

invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, such Issue Materials must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of this Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If this Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in this Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who purchases or renounces the Rights Entitlements or makes an application to acquire the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is outside the United States and is eligible to subscribe and authorized to purchase or sell the Rights Entitlements or acquire the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

This Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders, and in case such Eligible Equity Shareholders have not provided their valid e-mail address, then the Application Form, the Rights Entitlement Letter and other Issue Materials will be physically dispatched, on a reasonable effort basis, to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

- **In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI ICDR Master Circular and the ASBA Circular, all Investors desiring to make an Application in the Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.**

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees to make Applications in the Issue basis the Rights Entitlement credited in their respective demat accounts.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account. Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Investors are also advised to ensure that the Application Form is correctly filled up stating therein that the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should carefully fill in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, see ***“Terms of the Issue - Grounds for Technical Rejection”*** on page 84. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in the Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in the Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see ***“Terms of the Issue - Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process”*** on page 80.

- **Options available to the Eligible Equity Shareholders**

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to in the Issue. If the Eligible Equity Shareholder applies in the Issue, then such Eligible Equity Shareholder can:

- (i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- (ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- (iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- (iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or
- (v) renounce its Rights Entitlements in full.

- **Making of an Application through the ASBA process**

An Investor, wishing to participate in the Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in the Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34.

Please note that subject to SCSBs complying with the requirements of the SEBI ICDR Master Circular, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI ICDR Master Circular, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in the Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, their directors, their employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

DO's FOR INVESTORS APPLYING THROUGH ASBA:

- (a) Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- (b) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (c) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (d) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (e) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- (f) Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.

- (g) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- (h) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.
- (i) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated February 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

DON'Ts FOR INVESTORS APPLYING THROUGH ASBA:

- (a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- (c) Do not send your physical Application to the Registrar, the Banker to the Issue (assuming that such Banker to the Issue are not SCSB's), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- (d) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- (e) Do not submit Application Form using third party ASBA account.
- (f) Avoid applying on the Issue Closing Date due to risk of delay/restriction in making any physical Application.
- (g) Do not submit Multiple Application Forms.

APPLICATION BY SPECIFIC INVESTOR(S), IF ANY AND APPLICABLE

- **In case of renunciation of Rights Entitlement to specific investor(s) by our Promoters or members of the Promoter Group.**

Our Promoters and members of the Promoter Group have confirmed that in relation to the Issue, they intend to and reserve the right to either: (i)(a) subscribe to the full extent of the Equity Shares that they are entitled to in the Issue in proportion to the number of Equity Shares held by them respectively as on the Record Date (“**Rights Entitlement**”) and not renounce their Rights Entitlement and (i)(b) subscribe to the full extent of the Rights Entitlement, if any, renounced within the Promoters and Promoter Group; or (ii) renounce any or all of their respective Rights Entitlements within the Promoters and Promoter Group, in each case to the extent that the aggregate shareholding of the Promoters and Promoter Group is compliant with the minimum public shareholding requirements under the Securities Contracts (Regulation) Rules, 1957 and the SEBI Listing Regulations. Further, subject to subscribing to the full extent of their respective Rights Entitlements as per (i)(a) above and such Rights Entitlements renounced within the Promoters and Promoter Group as per (i)(b) above, they have also agreed to subscribe to additional Equity Shares, if any, including any unsubscribed portion of the Issue, up to the total Issue size, subject to compliance with the SEBI Takeover Regulations and to the extent that the aggregate shareholding of the Promoters and Promoter Group is compliant with the minimum public shareholding requirements under the Securities Contracts (Regulation) Rules, 1957 and the SEBI Listing Regulations.

As on the date of this Letter of Offer, members of our Promoter and Promoter Group hold 10,241,118 Equity Shares of our Company which represents 32.77% of the issued and paid-up capital of the Company. The acquisition of Rights Equity Shares in the Issue by our Promoters and members of our Promoter Group, shall be eligible for exemption from open offer requirements, subject to our Company meeting the pricing criteria and other conditions, if any in terms of Regulation 10(4)(a) and 10(4)(b) of the SEBI Takeover Regulations, and the subscription / renouncement by them as set out in para above shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations.

- **Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process**

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to the Issue on plain paper in terms of Regulation 78 of SEBI ICDR Regulations in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to the Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar or the Stock Exchanges. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the

said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Please note that in terms of Regulation 78 of SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being 5paisa Capital Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue;
5. Number of Equity Shares held as on Record Date;
6. Allotment option – only dematerialised form;
7. Number of Rights Equity Shares entitled to;
8. Number of Rights Equity Shares applied for within the Rights Entitlements;
9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Rights Equity Shares applied for;
11. Total Application amount paid at the rate of ₹300.00 per Rights Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE / FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
16. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in **“Restrictions on Purchases and Resales - Representations, Warranties and Agreements by Purchasers”** on page 100, and shall include the following:

“I/ We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. I/ we understand the Rights Equity Shares referred to in this application are being offered and sold in “offshore transactions” as defined in, and in reliance on, Regulation S under the U.S. Securities Act (“Regulation S”) to Eligible Equity Shareholders located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither our Company, nor the Registrar or any other person acting on behalf of our Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who our Company, the

Registrar or any other person acting on behalf of our Company have reason to believe is in the United States or is outside of India and ineligible to participate in the Issue under the securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

*I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of this Letter of Offer titled “**Restrictions on Purchases and Resales**” on page 100.*

I/ We understand and agree that the Rights Entitlements and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

I/ We acknowledge that our Company, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at <https://in.mpms.mufg.com/>

Our Company and the Registrar shall not be responsible if the Applications are not uploaded by the SCSSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.

- **Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form**

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in the Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two clear Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and/or whose demat account details are not available with our Company or the Registrar, shall be credited in the Demat Suspense Account.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in the Issue:

- (a) The Eligible Equity Shareholders shall visit <https://in.mpms.mufg.com/>, to upload their client master sheet and also provide the other details as required, no later than two Clear Working Days prior to the Issue Closing Date;
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date; and
- (c) The remaining procedure for Application shall be same as set out in the section entitled “**Terms of the Issue - Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process**” on page 80. Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed to renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the Demat Suspense Account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application through ASBA process.

Application for Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made

as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in the section entitled ***“Terms of the Issue - Basis of Allotment”*** on page 94.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares unless regulatory approvals are submitted.

Additional general instructions for Investors in relation to making of an Application

- (a) Please read this Letter of Offer carefully to understand the Application process and applicable settlement process.
- (b) Please read the instructions on the Application Form sent to you. Application should be complete 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 this Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- (c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section titled ***“Terms of the Issue - Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process”*** on page 80.
- (d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- (e) Applications should not be submitted to the Banker to the Issue, our Company or the Registrar.
- (f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-Tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to the Issue shall be made into the accounts of such Investors.
- (g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (***“Demographic Details”***) are updated, true and correct, in all respects. Investors applying under the Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under the Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of this letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed to the address of the Investor as per the Indian address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs or the Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.**
- (h) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- (i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.

- (j) Investors should provide correct DP ID and Client ID/ folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- (k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- (l) All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in the Issue quoting the name of the first/sole Applicant, folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- (m) Investors are required to ensure that the number of Rights Equity Shares applied for by them does not exceed the prescribed limits under the applicable law.
- (n) Do not apply if you are ineligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- (o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (p) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (q) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (r) Do not submit Multiple Applications.
- (s) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply in the Issue as an incorporated non-resident must do so in accordance with the FDI Policy and the FEMA NDI Rules, as amended.
- (t) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

- ***Grounds for Technical Rejection***

Applications made in the Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- (b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar
- (c) Sending an Application to our Company, Registrar, Banker to the Issue, to a branch of a SCSB which is not a Designated Branch of the SCSB.
- (d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- (f) Account holder not signing the Application or declaration mentioned therein.
- (g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- (h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- (i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- (k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.

- (l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Letter of Offer.
- (m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- (n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States, and is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with the Issue; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.
- (q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (r) Application from Investors that are residing in U.S. address as per the depository records.
- (s) Applicants not having the requisite approvals to make Application in the Issue.
- (t) Rights Entitlement not available in DPID on Issue Closing Date.

- **Multiple Applications**

In case where multiple Applications are made using same demat account in respect of the same set of Rights Entitlement, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Rights Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see ***“Terms of the Issue - Procedure for Applications by Mutual Funds”*** on page 86.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications may be treated as multiple applications and shall be liable to be rejected or all the balance shares other than Rights Entitlement will be considered as additional shares applied for, other than multiple applications submitted by any of our Promoters or members of the Promoter Group to meet the minimum subscription requirements applicable to the Issue as described in the section entitled ***“Summary of this Letter of Offer – Intention and extent of participation by our Promoters and Promoter Group with respect to (i) their rights entitlement; and (ii) their intention to subscribe over and above their rights entitlement;”*** on page 15.

Procedure for Applications by certain categories of Investors

Procedure for Applications by FPIs

In terms of applicable FEMA NDI Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard. Further, the aggregate limit of all FPIs investments is up to 100% (sectoral limit) of the paid-up equity share capital of our Company at the time of making such investment under the automatic route.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore

derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre – approved by the FPI.

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in the Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI.

AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in the Issue. Other categories of AIFs are permitted to apply in the Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA NDI Rules. Applications will not be accepted from NRIs that are ineligible to participate in the Issue under applicable securities laws.

As per the FEMA NDI Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants.

Further, in accordance with press note 3 of 2020, the FDI Policy has been amended to state that all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made. No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or exchange traded funded or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial results is required to be attached to the application.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is Friday, April 10, 2026, i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in this Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in the section entitled "**Terms of the Issue - Basis of Allotment**" on page 94.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An Investor who has applied in the Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor applying through ASBA facility may withdraw their Application post the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board or a committee thereof 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 will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

Rights Entitlements

As your name appears as a beneficial owner in respect of the paid-up and subscribed Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., <https://in.mpms.mufg.com/>) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e. <https://5paisa.com/>).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is ISIN: INE618L20018. The said ISIN shall remain frozen (for debit)

until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the Demat Suspense Account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under the Issue for subscribing to the Rights Equity Shares offered under the Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the Demat Suspense Account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e. <https://in.mpms.mufg.com/>). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form.

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

- **Renouncees**

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to the Issue shall apply to the Renouncee(s) as well.

- **Renunciation of Rights Entitlements**

The Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA NDI Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA NDI Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer.

- **Procedure for Renunciation of Rights Entitlements**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges (the "On Market Renunciation"); or (b) through an off-market transfer (the "Off Market Renunciation"), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited / lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Payment Schedule of Rights Equity Shares

₹300.00 per Rights Equity Share (including premium of ₹290.00 per Rights Equity Share) shall be payable on Application.

Our Company accepts no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

(a) On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI ICDR Master Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN: INE618L20018 subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from Friday, March 27, 2026 to Tuesday, April 07, 2026 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: INE618L20018 and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account. The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

(b) Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: INE618L20018, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

V. MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility. Under the ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application

by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in the Issue.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA NDI Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income Tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

VI. BASIS FOR THE ISSUE AND TERMS OF THE ISSUE

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement, see "*The Issue*" beginning on page 43.

• ***Fractional Entitlements***

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of 1 (One) Rights Equity Share for every 2 (Two) Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 2 (Two) Equity Shares or not in the multiple of 2 (Two), the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any.

Further, the Eligible Equity Shareholders holding less than 2 (Two) Equity Shares as on Record Date shall have 'zero' entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

- **Ranking**

The Rights Equity Shares to be issued and Allotted pursuant to the Issue shall be subject to the provisions of this Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under the Issue, shall rank pari passu with the existing Equity Shares, in all respects including dividends.

- **Listing and trading of the Rights Equity Shares to be issued pursuant to the Issue**

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to the Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number LOD/RIGHT/MV/FIP/1811/2025-26 dated March 05, 2026 and from the NSE through letter bearing reference number NSE/LIST/53722 dated March 05, 2026 for listing of the Rights Equity Shares to be Allotted in the Issue. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 540776) and NSE (Symbol: 5PAISA) under the ISIN: INE618L01018. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to the Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within fifteen days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

- **Subscription to the Issue by our Promoters and members of the Promoter Group**

For details of the intent and extent of subscription by our Promoters and members of the Promoter Group, see "*Summary of this Letter of Offer – Intention and extent of participation by our Promoters and Promoter Group with respect to (i) their rights entitlement; and (ii) their intention to subscribe over and above their rights entitlement;*" on page 15.

- **Rights of Holders of Equity Shares of our Company**

Subject to applicable laws, Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

- a) The right to receive dividend, if declared;*
- b) The right to receive surplus on liquidation;*
- c) The right to receive offers for rights shares and be allotted bonus shares, if announced;*
- d) The right to free transferability of Rights Equity Shares;*

- e) *The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in this Letter of Offer; and*
- f) *Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.*

VII. GENERAL TERMS OF THE ISSUE

• *Market Lot*

The Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Equity Shares in dematerialised mode is one Equity Share.

• *Joint Holders*

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in the Issue.

• *Nomination*

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013, read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be Allotted in the Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

• *Arrangements for Disposal of Odd Lots*

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Equity Share and hence, no arrangements for disposal of odd lots are required.

• *Restrictions on transfer and transmission of shares and on their consolidation/splitting*

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant the Issue. However, the Investors should note that pursuant to the provisions of the SEBI Listing Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

• *Notices*

Our Company will send through email and speed post, this Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue Material only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, this Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue Material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then this Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue Material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided their Indian address and who have made a request in this regard.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Marathi language daily newspaper (Marathi being the regional language of Mumbai), where our Registered Office is situated).

This Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

• *Offer to Non-Resident Eligible Equity Shareholders/Investors*

As per Rule 7 of the FEMA NDI Rules, RBI has given general permission to Indian companies to issue rights equity shares to non-resident equity shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in

full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. The permissions available under (i) and (ii) above are not available to investors who have been allotted such shares as Overseas Corporate Bodies. In terms of the FDI Policy and the FEMA NDI Rules, the sectoral cap applicable to the sector in which our Company operates is 100% which is permitted under the automatic route.

Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at 5paisacap.rights2026@in.mpms.mufg.com. It will be the sole responsibility of the Investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

This Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions. Eligible Equity Shareholders can access this Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchanges. Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

An Application made shall be subject to the provisions of FEMA and the FEMA NDI Rules. Further, the shareholding on the basis of which an Eligible Equity Shareholder is entitled to their respective Rights Entitlement, must have been acquired and held as per the provisions of the FEMA NDI Rules.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar to the Issue and our Company by submitting their respective copies of self-attested proof of address, passport, etc. at 5paisacap.rights2026@in.mpms.mufg.com.

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THE ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 94.

VIII. ISSUE SCHEDULE

Particulars	Day and Date
Last Date for credit of Rights Entitlements	Wednesday, March 18, 2026
Issue Opening Date	Friday, March 27, 2026
Last Date for On Market Renunciation of the Rights Entitlements #	Tuesday, April 07, 2026
Issue Closing Date*	Friday, April 10, 2026
Date of Finalization of Basis of Allotment	On or about Monday, April 13, 2026
Date of Allotment	On or about Wednesday, April 15, 2026
Date of credit	On or about Wednesday, April 15, 2026
Date of listing	On or about Thursday, April 16, 2026

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

* Our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date,

i.e., Tuesday, April 07, 2026, to enable the credit of the Rights Entitlements by way of transfer from the Demat Suspense Account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., Thursday, April 09, 2026.

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in this Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- (b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of the Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
- (d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis having due regard to the number of Rights Entitlement held by them as on Issue Closing Date and in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
- (e) Allotment to any specific investor(s) disclosed by our Company in terms of the SEBI ICDR Regulations before opening of the Issue, provided that there is surplus available after making full Allotment under (a), (b), (c) and (d) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
- (f) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) (d) and (e) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (e) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in the Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.
4. Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Banker to the Issue to refund such Applicants.

X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations, if applicable, or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address; along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in Demat Suspense Account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the

Issue Closing Date. In case of failure to do so, our Company and our Directors who are “officers in default” shall pay interest at such other rate as specified under applicable law from the expiry of such 15 days’ period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

XI. PAYMENT OF REFUND

• *Mode of making refunds*

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

- (a) Unblocking amounts blocked using ASBA facility.
- (b) **NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition (“MICR”) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- (c) **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“IFSC Code”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine-digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- (d) **Direct Credit** – Investors having bank accounts with the Banker to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- (e) **RTGS** – If the refund amount exceeds ₹0.20 million, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
- (f) For all other Investors, the refund orders will be dispatched through speed post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
- (g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

- **Receipt of the Rights Equity Shares in Dematerialized Form**

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THE ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates:

- a) Tripartite agreement dated September 8, 2017, amongst our Company, NSDL and the Registrar to the Issue; and
- b) Tripartite agreement dated November 1, 2010, amongst our Company, CDSL and the Registrar to the Issue.

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in the Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification. Allotment advice, refund order (if any) would be sent through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, on their registered email address or through physical dispatch.
7. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in the Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
8. Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.
9. Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, and who have not provided the details of their demat accounts to our Company or to the Registrar at least two clear Working Days prior to the Issue Closing Date, shall not be able to apply in the Issue.

XIII. IMPERSONATION

Attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹1.00 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1.00 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5.00 million or with both.

XIV. UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

- A. All monies received out of the Issue shall be transferred to a separate bank account;
- B. Details of all monies utilized out of the Issue referred to under (A) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- C. Details of all unutilized monies out of the Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

XV. UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- 1) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.
- 2) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within the time limit specified by SEBI.
- 3) The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- 4) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5) In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- 6) No further issue of securities shall be made till the securities offered through this Letter of Offer are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than as disclosed in accordance with Regulation 97 of SEBI ICDR Regulations.
- 7) Adequate arrangements shall be made to collect all ASBA Applications.
- 8) As on date, our Company does not have any convertible debt instruments.
- 9) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

XVI. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

1. Please read this Letter of Offer carefully before taking any action. The instructions contained in the Application Form and the Rights Entitlement Letter are an integral part of the conditions of this Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the registered folio number in case of Eligible Equity Shareholders who hold Equity Shares in

physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and superscribed “5paisa Capital Limited – Rights Issue” on the envelope and postmarked in India) to the Registrar at the following address:

MUFG Intime India Private Limited (formerly Link Intime India Private Limited)

C-101, 1st Floor, Embassy 247,
LBS Marg, Surya Nagar, Gandhi Nagar Vikhroli (West),
Mumbai –400 083, Maharashtra, India.

Telephone Number: +91 81081 14949

Email: 5paisacap.rights2026@in.mpms.mufg.com

Website: www.in.mpms.mufg.com

Contact Person: Shanti Gopalakrishnan

Investor Grievance e-mail: 5paisacap.rights2026@in.mpms.mufg.com

SEBI Registration No.: INR000004058

CIN: U67190MH1999PTC118368

In accordance with SEBI ICDR Master Circular, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar MUFG Intime India Private Limited (formerly Link Intime India Private Limited). Further, helpline contact provided by the Registrar for guidance on the Application process and resolution of difficulties is 5paisacap.rights2026@in.mpms.mufg.com.

3. The Investors can visit following links for the below-mentioned purposes:
 - a) Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors:
<https://web.in.mpms.mufg.com/rightsoffers/rightsissues-Knowyourapplication.aspx>
 - b) Updating Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: 5paisacap.rights2026@in.mpms.mufg.com
 - c) Updating demat account details by Eligible Equity Shareholders holding shares in physical form:
5paisacap.rights2026@in.mpms.mufg.com
 - d) Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: 5paisacap.rights2026@in.mpms.mufg.com.

The Issue will remain open for a minimum 15 days. However, our Board or Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/ departments are responsible for granting approval for foreign investment.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The FDI Policy consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy will be valid until the DPIIT issues an updated circular. Further, the sectoral cap applicable to the sector in which our Company operates is 100% which is permitted under the automatic route.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies ("OCBs") have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for the issue as an incorporated non-resident must do so in accordance with the FDI Policy and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations. Investors are cautioned to consider any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer.

RESTRICTIONS ON PURCHASES AND REALES

Eligibility and Restrictions

General

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that this Letter of Offer will be filed with the Stock Exchanges and SEBI.

Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. The credit of Rights Entitlements does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Material shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Material. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into in (i) the United States or (ii) or any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, renunciation, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares.

This Letter of Offer and its accompanying documents are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

No offer in the United States

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the U.S Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Rights Equity Shares are only being offered and sold outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act to Eligible Equity Shareholders located in jurisdictions where such offer and sale is permitted under the laws of such jurisdictions. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Entitlements or Rights Equity Shares for sale in the United States or as a solicitation therein of an offer to buy any of the said securities. Accordingly, you should not forward or transmit this Letter of Offer into the United States at any time.

Representations, Warranties and Agreements by Purchasers

The Rights Entitlements and the Rights Equity Shares offered are being offered in “offshore transactions” as defined, and in reliance on, Regulation S under the U.S. Securities Act.

In addition to the applicable representations, warranties and agreements set forth above, each purchaser outside the United States by accepting the delivery of this Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the “purchaser”, which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

1. The purchaser (i) is aware that the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the U.S. Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, (ii) is, and the persons, if any, for whose account it is acquiring such Rights Entitlements and/or the Rights Equity Shares are, outside the United States and eligible to subscribe for Rights Entitlements and Rights Equity Shares in compliance with applicable securities laws, and (iii) is acquiring the Rights Entitlements and/or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulation S.
2. No offer or sale of the Rights Entitlements or the Rights Equity Shares to the purchaser is the result of any “directed selling efforts” (as defined in Regulation S under the U.S. Securities Act).
3. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares, and the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
4. The purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by the jurisdiction of its residence, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.
5. The purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.
6. If any Rights Entitlements were bought by the purchaser or otherwise transferred to the purchaser by a third party (other than our Company), the purchaser was in India at the time of such purchase or transfer.
7. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.
8. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of this Letter of Offer with the Stock Exchanges); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements except in India or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.
9. The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in this Issue.
10. None of the purchaser, any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of our Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.
11. Prior to making any investment decision to exercise the Rights Entitlements and renounce and/or subscribe for the Rights Equity Shares, the Investor (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of this Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to our Company and our Group and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below); (iv) will have conducted its own due diligence on our Company and this Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company (including any research reports) (other than, with respect to our Company and any information contained in this Letter of Offer); and (v) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.

12. Without limiting the generality of the foregoing, (i) the purchaser acknowledges that the Equity Shares are listed on BSE Limited and the National Stock Exchange of India Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited and the National Stock Exchange of India Limited (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent balance sheet and profit and loss account, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes "Exchange Information"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) our Company, any of its affiliates, has not made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.
13. The purchaser acknowledges that any information that it has received or will receive relating to or in connection with this Issue, and the Rights Entitlements or the Rights Equity Shares, including this Letter of Offer and the Exchange Information (collectively, the "Information"), has been prepared solely by our Company.
14. The purchaser will not hold our Company responsible for any misstatements in or omissions to the Information or in any other written or oral information provided by our Company to it.
15. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in this Letter of Offer and the Application Form. The purchaser understands that none of our Company, the Registrar, or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, or any other person acting on behalf of us have reason to believe is in the United States, or is ineligible to participate in this Issue under applicable securities laws.
16. The purchaser subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If in the future the purchaser decides to offer, sell, pledge or otherwise transfer any of the Rights Equity Shares, the purchaser shall only offer, sell, pledge or otherwise transfer such Rights Equity Shares (i) outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India or (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.
17. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares.
18. If the purchaser is outside India, the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
19. If the purchaser is outside India, the purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence.
20. The purchaser is authorized to consummate the purchase of the Rights Equity Shares sold pursuant to this Issue in compliance with all applicable laws and regulations.
21. Except for the sale of Rights Equity Shares on one or more of the Stock Exchanges, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.
22. The purchaser shall hold our 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 its representations, warranties or agreements set forth above and elsewhere in this Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.
23. The purchaser acknowledges that our Company, their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

SECTION VIII: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered into or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Letter of Offer) which are or may be deemed material, and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all working days and will also be available on the website of our Company at <https://5paisa.com/> from the date of this Letter of Offer until the Issue Closing Date.

A. Material Contracts for the Issue

1. Registrar Agreement dated March 05, 2026, between our Company and the Registrar to the Issue.
2. Banker to the Issue Agreement dated February 27, 2026, between our Company, Registrar and the Banker to the Issue.
3. Monitoring Agency Agreement dated February 27, 2026, between our Company and the Monitoring Agency.

B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company, as amended.
2. Certificate of incorporation dated July 10, 2007 and Certificate of commencement of business dated July 19, 2007, issued to our Company by the RoC.
3. Certificate of incorporation pursuant to change of name of our Company from 'India Infoline Finance Holdings Limited' to 'IIFL Capital Limited' dated November 6, 2007.
4. Certificate of incorporation pursuant to change of name of our Company from 'IIFL Capital Limited' to '5paisa Capital Limited' dated August 12, 2015.
5. Consent of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, the Registrar to the Issue and Banker to the Issue, for inclusion of their names in the Letter of Offer in their respective capacities.
6. Consent letter dated February 24, 2026, from M/s V. Sankar Aiyar & Co. Chartered Accountants, to include their name in this Letter of Offer, and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in their capacity as the Statutory Auditors of our Company for inclusion of the statement of possible special tax benefits.
7. Statement of possible special tax benefits available to our Company and its shareholders dated February 24, 2026, from the Statutory Auditors, included in this Letter of Offer.
8. The Audited Consolidated Financial Statements and the audit report dated May 1, 2025 and April 24, 2024, for the financial year ended March 31, 2025 and March 31, 2024, respectively.
9. The Unaudited Consolidated Financial Results of our Company and the limited review report dated January 13, 2026 and January 17, 2025, as at and for the nine months period ended December 31, 2025 and December 31, 2024.
10. Resolution of our Board of Directors dated February 24, 2026 in relation to the Issue and other related matters.
11. Resolution of our Board of Directors dated February 24, 2026 approving and adopting the Draft Letter of Offer.
12. Resolution of our Board of Directors dated March 11, 2026, in relation to the terms of the Issue including the Record Date, Issue Price and Rights Entitlement ratio.
13. Resolution of our Board of Directors dated March 11, 2026, approving and adopting this Letter of Offer.

14. Annual Reports of our Company for the Financial Years 2025, 2024 and 2023.
15. In-principle listing approvals each dated March 05, 2026 issued by BSE and NSE for listing of the Rights Equity Shares to be Allotted in the Issue.
16. Tripartite agreement dated September 8, 2017, amongst our Company, NSDL and the Registrar to the Issue.
17. Tripartite agreement dated November 1, 2010, amongst our Company, CDSL and the Registrar to the Issue.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Eligible Equity Shareholders, subject to compliance with applicable law.

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue, as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

ARCHANA NIRANJAN HINGORANI

DIN: 00028037

Chairperson and Non-Executive Independent Director

Date: March 12, 2026

Place: Mumbai

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue, as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

GAURAV SETH
DIN: 10415364
Managing Director and Chief Executive Officer

Date: March 12, 2026

Place: Mumbai

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue, as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

GOURAV MUNJAL

DIN: 06360031

Whole-Time Director and Chief Financial Officer

Date: March 12, 2026

Place: Thane

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue, as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

AMEYA AGNIHOTRI

DIN: 07680132

Whole-Time Director and Chief Technology Officer

Date: March 12, 2026

Place: Bengaluru

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue, as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

NIRALI SHARAD SANGHI

DIN: 00319389

Non-Executive Independent Director

Date: March 12, 2026

Place: Mumbai

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue, as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

MILIN K MEHTA

DIN: 01297508

Non-Executive Independent Director

Date: March 12, 2026

Place: Vadodara

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue, as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

SARAT KUMAR MALIK
DIN: 09791314
Non-Executive Independent Director

Date: March 12, 2026
Place: Mumbai

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue, as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/-

ZOR GORELOV

DIN: 11329941

Non-Executive Independent Director

Date: March 12, 2026

Place: New York

DECLARATION

I hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue, as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sd/-

GOURAV MUNJAL

Whole-Time Director and Chief Financial Officer

Date: March 12, 2026

Place: Thane