

member of the 'promoter group' of the Target Company, in accordance with the SEBI (SAST) Regulations and the SEBI LODR Regulations. The Existing Promoter and Promoter Group shall continue as members of the promoter/ promoter group of the Company.

4. Details of the Target Company

- 4.1 The Target Company, IIFL Capital Services Limited, was originally incorporated as Agri Marketing Services Private Limited on March 21, 1996, under the Companies Act, 1956 pursuant to the issuance of a certificate of incorporation dated March 21, 1996, granted by the Registrar of Companies, Tamil Nadu at Madras. Subsequently, the name of the Target Company was changed to 'India Infoline. com Distribution Company Private Limited' pursuant to the issuance of a fresh certificate of incorporation dated May 8, 2000, by the Registrar of Companies, Tamil Nadu at Chennai. The Target Company was, then, converted into a public limited company and its name was changed to 'India Infoline.com Distribution Company Limited' pursuant to a certificate of incorporation dated December 2, 2005, by the Registrar of Companies, Maharashtra at Mumbai. Subsequently, the Target Company's name was changed to 'India Infoline Distribution Company Limited' pursuant to the issuance of a fresh certificate of incorporation dated April 13, 2006, by the Registrar of Companies, Maharashtra at Mumbai. The name of the Target Company was changed to 'IIFL Securities Limited', pursuant to the issuance of fresh certificate of incorporation dated March 7, 2018, by the Registrar of Companies, Maharashtra at Mumbai. Subsequently, the name of the Target Company was changed to 'IIFL Capital Services Limited', pursuant to the issuance of fresh certificate of incorporation dated November 5, 2024, by the Registrar of Companies, Central Processing Centre.
- 4.2 The registered office of the Target Company is at Plot No. B-23, IIFL House, Sun Infotech Park, Road No. 16V, Thane Industrial Area, Wagle Estate, Thane, Maharashtra, 400604. CIN: L99999MH1996PLC132983.. The contact details of the Target Company are as follows: Telephone number: 022-41035000, E-mail address: investor.relations@iiflcapital.com Website: <https://www.iiflcapital.com>.
- 4.3 The Target Company (along with its subsidiaries) is engaged in the business of financial services including stock broking, investment advisory, merchant banking, insurance broking, investment banking, distribution of financial products (mutual funds, PMS, AIFs, fixed income), wealth management, providing wellness-related solutions, M&A advisory and private placement advisory.
- 4.4 The authorized share capital of the Target Company is INR 1,00,00,01,000 (INR One Hundred Crore One Thousand only) comprising of equity shares of INR 2 (Indian Rupees Two only) each. The paid-up share capital of the Target Company is INR 62,28,69,426 (Indian Rupees Sixty Two Crore Twenty Eight Lakh Sixty Nine Thousand and Four Hundred Twenty Six only) divided into 31,14,34,713 (Thirty One Crore Fourteen Lakh Thirty Four Thousand and Seven Hundred Thirteen) Equity Shares.
- 4.5 The Equity Shares are listed on BSE (Scrip Code: 542773) and NSE (Symbol: IIFLCAPS). The ISIN of the Equity Shares is INE489L01022. The Equity Shares are frequently traded on the NSE for the purposes of Regulation 2(1)(i) of the SEBI (SAST) Regulations (further details provided in Part IV (Offer Price) below of this DPS).
- 4.6 As on the date of this DPS, there is one class of Equity Shares. There are no partly paid-up shares, no shares with differential voting rights, and no outstanding convertible instruments. As on the date of the PA, there were 3,78,40,489 (Three Crore Seventy Eight Lakh Forty Thousand Four Hundred and Eighty Nine) employee stock options which have been granted and are outstanding under the ESOP Scheme out of which 1,65,92,088 (One Crore Sixty Five Lakh Ninety Two Thousand Eighty Eight) employee stock options which have vested or will vesting have been considered for the Expanded Voting Share Capital.
- 4.7 The details of Expanded Voting Share Capital are as follows:

Equity Shares	No. of Shares	% ⁽¹⁾
Fully paid up Equity Shares	31,14,34,713	80.86%
Subscription Shares (Preferential Issue)	5,71,42,857	14.84%
Vesting ESOPs	1,65,92,088	4.30%
Expanded Voting Share Capital	38,51,69,658	100.00%

Note: (1) Calculated as a percentage of the Expanded Voting Share Capital.

- 4.8 The key financial information of the Target Company as extracted from its audited consolidated financial statements for each of the three financial years ended March 31, 2024, March 31, 2025 and March 31, 2026 is as follows:

Particulars (INR in Lakhs)	FY 2023-24	FY 2024-25	FY 2025-26
	(as on March 31, 2024)	(as on March 31, 2025)	(as on March 31, 2026)
	(audited)	(audited)	(audited)
Total Revenue	2,23,128.66	2,56,743.13	2,60,310.09
Net Profit	51,334.63	71,287.81	56,363.60
EPS (INR)	16.73	23.06	18.08
Net Worth ⁽³⁾	1,78,835.15	2,50,999.66	3,07,107.20

Notes:

- The financial information has been extracted from the audited financial statements of the Target Company.
- Figures for FY 2023-24, FY 2024-25 and FY 2025-26 are approximate and in INR Lakhs.
- Net worth includes non-controlling interest.

Source: Annual reports for the FY 2023-2024 and FY 2024-2025 and the financial results for the FY 2025-2026.

5. Details of the Open Offer

- 5.1 This Open Offer is a mandatory open offer made by the Acquirer and the PAC in compliance with Regulations 3(1), 3(2) and 4 of the SEBI (SAST) Regulations, pursuant to the execution of the Investment Agreement pursuant to which the Acquirer intends to: (i) exercise voting rights in excess of 25% of the total voting rights of the Target Company; (ii) acquire additional Equity Shares such that its shareholding exceeds by more than 4.99% of the total share capital of the Target Company in a financial year; and (iii) acquire and exercise control of the Target Company. Please refer to Part II (Background to the Open Offer) of this DPS for information on the Underlying Transaction.
- 5.2 This Offer is being made by the Acquirer and the PAC to the Public Shareholders to acquire up to 10,01,44,112 (Ten Crore One Lakh Forty Four Thousand One Hundred Twelve) Equity Shares ("**Offer Shares**") representing 26.00% (twenty six percent) of the Expanded Voting Share Capital ("**Offer Size**"), at an offer price of INR 350 (Indian Rupees Three Hundred and Fifty only) per Equity Share ("**Offer Price**") subject to the receipt of all applicable statutory approval(s) including the Required Statutory Approvals, satisfaction of the conditions precedent set out in the Investment Agreement and the terms and conditions mentioned in the Public Announcement, this DPS and to be set out in the draft letter of offer ("**Draft Letter of Offer**" or "**DLoF**") and the letter of offer ("**Letter of Offer**" or "**LoF**") and any corrigendum thereto, if any, to be issued in relation to the Offer in accordance with the SEBI (SAST) Regulations.
- 5.3 The Equity Shares are "frequently traded" within the provisions of Regulation 2(1)(j) of the SEBI (SAST) Regulations. The Open Offer is made at a price of INR 350 (Indian Rupees Three Hundred Fifty only) per Equity Share ("**Offer Price**"), which has been determined in accordance with Regulations 8(1) and 8(2) of the SEBI (SAST) Regulations that will be offered to Public Shareholders who validly tender their Equity Shares in Open Offer. Assuming full acceptance under the Open Offer, the total consideration payable by the Acquirer in accordance with the SEBI (SAST) Regulations is INR 3505,04,39,200 (Indian Rupees Three Thousand Five Hundred Five Crore Four Lakh Thirty Nine Thousand Two Hundred only) ("**Maximum Consideration**"), subject to the terms and conditions mentioned in the Public Announcement, this DPS and to be set out in the Letter of Offer, after incorporating the comments of SEBI, if any, on the draft Letter of Offer. In addition, the Underlying Transaction is subject to the satisfaction of the identified conditions precedent specified in the Investment Agreement (unless waived in accordance with the Investment Agreement).
- 5.4 The Offer is not conditional on any minimum level of acceptance by the Public Shareholders in terms of Regulation 19(1) of the SEBI (SAST) Regulations.
- 5.5 The Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 5.6 The Acquirer and PAC do not intend to delist the Target Company pursuant to this Open Offer in accordance with the SEBI (SAST) Regulations and the SEBI (Delisting of Equity Shares) Regulations, 2021 ("**SEBI Delisting Regulations**").
- 5.7 The Offer Price shall be payable in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, and subject to the terms and conditions set out in this DPS and the Letter of Offer.
- 5.8 As on the date of this DPS, to the best of the knowledge of the Acquirer and the PAC, there are no statutory or other approval(s) required to acquire the Offer Shares that are validly tendered pursuant to this Offer and/or to complete

the Underlying Transaction save and except the approvals (including Required Statutory Approvals) and as set out in Part VI (Statutory and Other Approvals) of this DPS. However, if any statutory or other approval(s) becomes applicable prior to the completion of the Offer, the Offer would also be subject to such statutory or other approval(s) being obtained. Please refer to Part VI (Statutory and Other Approvals) of this DPS for further details.

- 5.9 The Public Shareholders who tender their Equity Shares in this Open Offer shall ensure that the Equity Shares are clear from all liens, charges and encumbrances. The Offer Shares will be acquired, subject to such Offer Shares being validly tendered in this Open Offer, free from all liens and together with all the rights attached thereto, including all the rights to dividends, bonuses and right offers declared thereof and in accordance with the terms and conditions set forth in the Public Announcement, this DPS and as will be set out in the Letter of Offer, and the tendering Public Shareholders shall have obtained all necessary consents required by them to tender the Offer Shares on the foregoing basis.
- 5.10 All Public Shareholders, including non-resident holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India (including non-resident Indian ("**NR**"), overseas corporate body ("**OCB**") and foreign institutional investors ("**FI**")/ Foreign Portfolio Investors ("**FPI**") had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Offer Shares. Where statutory or other approval(s) extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approval(s) are required in order to complete this Open Offer.
- 5.11 If the aggregate number of Equity Shares validly tendered in the Open Offer by the Public Shareholders is more than the Offer Size, then the Equity Shares validly tendered by the Public Shareholders will be accepted on a proportionate basis, subject to acquisition of a maximum of 10,01,44,112 (Ten Crore One Lakh Forty Four Thousand One Hundred Twelve) Equity Shares, representing 26.00% (twenty six percent) of the Expanded Voting Share Capital, in consultation with the Manager to the Open Offer.
- 5.12 In terms of Regulation 23(1) of the SEBI (SAST) Regulations, in the event that the Required Statutory Approvals or any statutory or regulatory approvals which become applicable prior to completion of the Open Offer are not received or are finally refused for any reason or are not satisfied in accordance with the Investment Agreement for reasons outside the reasonable control of the Acquirer, or if any of the Key Conditions Precedent are not met for reasons outside the reasonable control of the Acquirer and the Investment Agreement is terminated in accordance with Paragraph 12.15 of Part II (Background to the Open Offer), or the Acquirer terminates the Investment Agreement prior to the Primary Completion in terms of Paragraph 12.15 of Part II (Background to the Open Offer) of this DPS for reasons outside the reasonable control of the Acquirer, and in each of the foregoing case the Acquirer terminates the Investment Agreement, then the Acquirer and PAC shall have the right to withdraw the Open Offer. In the event of such a withdrawal of the Open Offer, the Acquirer and PAC (through the Manager) shall, within 2 (two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
- 5.13 In terms of Regulation 25(2) of SEBI (SAST) Regulations, other than as stated in this DPS, as at the date of this DPS, the Acquirer and PAC do not have any plans to sell, lease, dispose of or otherwise encumber any material asset of the Target Company or of any of its subsidiaries in the next 2 (two) years from the date of completion of this Open Offer, except:
- (a) in the ordinary course of business (including for the sale, lease, disposal of assets and creating encumbrances in accordance with business requirements); or (b) as already agreed, disclosed and/or publicly announced by the Target Company; or (c) on account of regulatory approvals or conditions; or (d) as required in compliance with any law that is or becomes binding on or applicable to the operations of the Target Company; or (e) to the extent required for the purpose of restructuring and/or rationalization of business, assets, investments, liabilities or otherwise of the Target Company to improve operational inefficiencies and for other commercial reasons; or (f) in accordance with the prior decision of Board.
- 5.14 If the Acquirer and PAC intend to alienate any material asset of the Target Company or any of its subsidiaries within a period of 2 (two) years from the date of completion of this Open Offer, a special resolution of the shareholders of the Target Company in accordance with proviso to Regulation 25(2) of the SEBI (SAST) Regulations would be taken before undertaking any such alienation of any material assets.
- 5.15 As per Regulation 38 of the SEBI (LODR) Regulations read with Rule 19A of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), the Target Company is required to maintain at least 25% (twenty-five per cent) public shareholding, as determined in accordance with the SCRR, on a continuous basis for listing. If as a result of acquisition of Equity Shares pursuant to the Preferential Issue and the Open Offer, the public shareholding in the Target Company falls below the minimum public shareholding requirement as per SCRR and the SEBI (LODR) Regulations, then the Acquirer and the Promoter Sellers have agreed to take necessary steps to bring down their shareholding in order to ensure that the Target Company satisfies the minimum public shareholding requirements, within the time prescribed under applicable law, in accordance with the Investment Agreement.
- 5.16 The Manager does not hold any Equity Shares as on the date of this DPS. The Manager to the Open Offer further declares and undertakes not to deal on its account in the Equity Shares during the Offer Period.

II. BACKGROUND TO THE OPEN OFFER

- This Open Offer is a mandatory open offer made by the Acquirer in compliance with Regulations 3(1), 3(2) and 4 of the SEBI (SAST) Regulations, pursuant to the execution of the Investment Agreement pursuant to which the Acquirer intends to: (i) exercise voting rights in excess of 25% of the total voting rights of the Target Company; (ii) acquire additional Equity Shares such that its shareholding exceeds by more than 4.99% of the total share capital of the Target Company in a financial year; and (iii) acquire and exercise control of the Target Company.
- Pursuant to the letter dated September 30, 2015 from the Acquirer, PAC, I Investments Limited and FIH Private Investments Ltd. (collectively, "**Fairfax Group Entities**") to SEBI in relation to the open offer made by the Fairfax Group Entities to the public shareholders of IIFL Holdings Limited ("**IIFL Holdings**") and such open offer, the "**2015 Open Offer**", the Fairfax Group Entities had *inter alia* undertaken and agreed that: (i) the Fairfax Group Entities shall not exercise voting rights on resolutions placed before shareholders of IIFL Holdings in relation to such number of shares held by the Fairfax Group Entities that represent more than 25% (Twenty Five percent) of the paid up equity share capital of the IIFL Holdings at the time of voting on the relevant resolution; and (ii) the Fairfax Group Entities shall not acquire additional equity shares after the completion of the 2015 Open Offer to exceed 39.97% (Thirty Nine point Nine Seven percent) of the total equity share capital of IIFL Holdings, including by way of a creeping acquisition of up to 5% (Five percent) of the equity share capital under Regulation 3(2) of the SEBI (SAST) Regulations, unless the Fairfax Group Entities make an open offer or obtain the prior consent of SEBI for such acquisition, subject to certain conditions specified therein ("**2015 Undertaking**").
- Subsequently, pursuant to composite scheme of arrangement amongst the Target Company, IIFL Finance Limited (erstwhile IIFL Holdings Limited), India Infoline Media and Research Services Limited, IIFL Wealth Management Limited, India Infoline Finance Limited, IIFL Distribution Services Limited, and their respective shareholders, under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("**Scheme of Arrangement**") with effect from May 13, 2019, IIFL Holdings was demerged into three resultant entities, namely, IIFL Finance Limited, the Target Company and IIFL Wealth Management Limited. Pursuant to the letter dated August 2, 2019 from the Acquirer and the PAC, who were the shareholders of the Target Company, the Acquirer and PAC have agreed and undertaken to the Target Company that the Acquirer and PAC shall not exercise voting rights on resolutions placed before shareholders of Target Company in relation to such number of shares held by Acquirer and PAC that represent more than 25% (Twenty Five percent) of the paid up equity share capital of the Target Company at the time of voting on the relevant resolution subject to certain conditions specified therein.
- The Acquirer has entered into an investment agreement dated May 7, 2026 with the Target Company and the Promoter Sellers ("**Investment Agreement**"), wherein it is agreed that the Target Company shall, by way of preferential issuance on a private placement basis ("**Preferential Issue**") in accordance

with the Companies Act, 2013 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, each as amended, issue and allot to the Acquirer, and the Acquirer shall subscribe to 5,71,42,857 (Five Crores Seventy One Lakh Forty Two Thousand Eight Hundred Fifty Seven) Equity Shares, at a subscription price of INR 350 (Indian Rupees Three Hundred and Fifty only) per Equity Share ("**Price Per Subscription Share**" and together with the foregoing, the "**Subscription Shares**") aggregating to an amount of INR 1999,99,99,950 (Indian Rupees One Thousand Nine Hundred and Ninety Nine Crore Ninety-Nine Lakh Ninety Nine Thousand Nine Hundred and Fifty only) ("**Subscription Shares Consideration**") to be paid by the Acquirer to the Target Company subject to the terms of the Investment Agreement and applicable law. In addition, in the event that the total shareholding of the Acquirer, its affiliates (as *defined in the Investment Agreement*) along with the PAC upon completion of the allotment under the Investment Agreement and the acquisitions under the Open Offer is less than 51% of the issued and paid up equity share capital of the Target Company on a fully diluted basis (as *calculated in terms of the Investment Agreement*) ("**Target Shareholding**"), the Promoter Sellers have agreed to sell such number of Equity Shares to the Acquirer, at a sale price of INR 350 (Indian Rupees Three Hundred and Fifty only) per Equity Share ("**Price Per Sale Share**") such that the total shareholding of the Acquirer, it affiliates (as *defined in the Investment Agreement*) and PAC is equal to the Target Shareholding ("**Sale Shares**" and together with the foregoing, the "**Secondary Purchase**"). Subject to the prior consent of the Acquirer, the other members of the Existing Promoter and Promoter Group (other than the Promoter Sellers) may transfer the relevant Equity Shares equivalent to the Sale Shares as part of the Secondary Purchase.

- The Acquirer will acquire and exercise control over the Target Company in accordance with and subject to the terms of the Investment Agreement and the provisions of the SEBI (SAST) Regulations and the SEBI (LODR) Regulations. The Acquirer will be classified as the 'promoter' of the Target Company and the PAC will be classified as a member of the 'promoter group' of the Target Company, in accordance with the SEBI (SAST) Regulations and the SEBI (LODR) Regulations. Further, upon the completion of the Preferential Issue and the completion of the Open Offer; or upon the completion of the Preferential Issue (if the Preferential Issue is completed prior to the Open Offer subject to compliance with Regulation 22(2) of the SEBI (SAST) Regulations), the Board will approve the appointment of 2 (two) non-executive directors on the Board as per the terms set out in the Investment Agreement.
- The Preferential Issue has been approved by the Board on May 7, 2026. As per the terms of the Investment Agreement, in the event the resolution for the Preferential Issue fails to receive approval of the requisite majority of shareholders of the Target Company, then prior to completion of the Open Offer, the Target Company may seek approval of the shareholders of the Target Company in accordance with applicable law and subject to the terms as set out in the Investment Agreement.
- Since, on account of the execution of the Investment Agreement, the Preferential Issue and the proposed acquisition of the Sale Shares, the Acquirer intends to: (i) exercise voting rights in excess of 25% of the total voting rights of the Target Company; (ii) acquire additional Equity Shares such that its shareholding exceeds by more than 4.99% of the total share capital of the Target Company in a financial year; and (iii) acquire and exercise control of the Target Company, this Open Offer is being made under Regulation 3(1), 3(2) and Regulation 4 of the SEBI (SAST) Regulations. Pursuant to the consummation of the Underlying Transaction (which is conditional upon the Required Statutory Approval and the satisfaction of the other conditions precedent stipulated in the Investment Agreement) and subject to compliance with SEBI (SAST) Regulations, the Acquirer will acquire and exercise control over the Target Company and the Acquirer will be classified as a 'promoter' of the Target Company, and the PAC will be classified as a member of the 'promoter group' of the Target Company, in accordance with the SEBI (SAST) Regulations and the SEBI LODR Regulations.
- The aforementioned transactions, including: (i) the proposed Preferential Issue to the Acquirer pursuant to the terms and conditions in the Investment Agreement and the acquisition and exercise of control by the Acquirer over the Target Company pursuant to the terms of the Investment Agreement; (ii) the sale and purchase of the Sale Shares by the Acquirer from the Promoter Sellers (or, subject to the consent of the Acquirer, acquisition of the Sale Shares from any other member of the Existing Promoter and Promoter Group); and (iii) the Acquirer being classified as a 'promoter' of the Target Company and the PAC being classified as a member of the 'promoter group' of the Target Company pursuant to the above, are collectively referred to as the "**Underlying Transaction**". A tabular summary of the Underlying Transaction is set out below:

Details of the Underlying Transaction						
Type of transaction (direct/ indirect)	Mode of transaction (agreement/allotment/market purchase)	Shares / voting rights acquired/ proposed to be acquired		Total consideration for shares / voting rights acquired (INR)	Mode of payment (cash/ securities)	Regulation which has triggered
		Number	% vis-a-vis total equity/ voting capital			
Direct	<u>Agreement – Investment Agreement:</u>	Preferential Issue -	Preferential Issue –	Preferential Issue -	Cash	Regulations 3(1), 3(2) and 4 of the SEBI (SAST)
	(a) Execution of the Investment Agreement for: (i) issuance and allotment of the 5,71,42,857 (Five Crore Seventy One Lakh Forty Two Thousand Eight Hundred Fifty Seven) Equity Shares, at a subscription price of INR 350 (Indian Rupees Three Hundred and Fifty only) per Equity Share by the Target Company to the Acquirer by way of preferential issuance and on a private placement basis (" Preferential Issue "); and (ii) sale and purchase by the Acquirer of the Sale Shares from the Promoter Sellers (" Secondary Purchase ").	57,142,857	14.84%	INR 19,99,99,99,950		
	(b) The terms and conditions of the Preferential Issue and the Secondary Purchase and the other rights to be granted to the Acquirer are set out in the Investment Agreement.	Secondary Purchase - up to a maximum of 4,42,89,694 ⁽⁴⁾	Secondary Purchase - up to a maximum of 11.50% ⁽⁴⁾	Secondary Purchase up to a maximum of INR 15,50,13,92,900 ⁽⁴⁾		Regulations
Board Approval: Approval by the Board for issuance of the Subscription Shares by the Target Company to the Acquirer, by way of Preferential Issue, subject to the approval of the shareholders of the Target Company. As per the terms of the Investment Agreement, in the event the resolution for the Preferential Issue fails to receive approval of the requisite majority of shareholders of the Target Company, then prior to completion of the Open Offer, the Target Company may seek approval of the shareholders of the Target Company in accordance with applicable law and the Investment Agreement.						
Total		Up to a maximum of 10,14,32,551	Up to a maximum of 26.33%	Up to a maximum of INR 3550,13,92,850		

Note:

- (1) Calculated as a percentage of Expanded Voting Share Capital.
 - (2) The Subscription Shares shall be allotted within the timelines prescribed under Regulation 170 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, subject to, *inter alia*, the approval of the shareholders of the Target Company and other statutory/regulatory approvals (including Required Statutory Approvals) on the terms set out in the Investment Agreement.
 - (3) It is clarified that for the purposes of the Open Offer, the Existing Promoter and Promoter Group are not 'persons acting in concert' with the Acquirer and the PAC.
 - (4) The number of equity shares to be purchased through the Secondary Purchase will vary depending on the shares tendered through the Open Offer.
9. The Offer Price will be payable in cash by the Acquirer, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations.
10. **Object of the Offer:**
- 10.1 The Open Offer is being made under Regulations 3(1), 3(2) and 4 of the SEBI (SAST) Regulations since the Acquirer has entered into the Investment Agreement to increase the aggregate shareholding of the Acquirer and PAC to at least 51% (fifty one per cent) of the issued and paid up equity share capital of the Target Company on a fully diluted basis (*as calculated in terms of the Investment Agreement*).
- 10.2 By acquisition of the Target Company, the Acquirer has the opportunity to participate in a sector benefiting from increasing financialization of savings and investor allocation towards capital market products in India. Growth opportunity for institutional equities business comprising investment banking, M&A advisory and broking services remain attractive. A rising share of savings is now being channelled into institutions such as mutual funds, insurance companies, pension funds and provident funds. A growing economy also results in a number of unlisted companies looking to access capital. The Target Company is a market leading franchise that is well positioned to benefit from the sustained growth in India's capital markets ecosystem. Furthermore, the Target Company is building a wealth management business which is well positioned to capture opportunities provided by rising incomes in India and cater to wealth management needs of individuals, families, and institutions.
11. For the purposes of the Underlying Transaction and the Open Offer, the Existing Promoter and Promoter Group are not 'persons acting in concert' with the Acquirer and the PAC.
12. Salient features of the Investment Agreement are set out below:
- 12.1 The Investment Agreement sets forth the terms and conditions agreed between the Acquirer, the Target Company and the Promoter Sellers and their respective rights and obligations with respect to the transaction as summarised below:
- (i) **Preferential Issue:** The issuance of the Subscription Shares by the Target Company to the Acquirer for an aggregate amount of INR 1999,99,99,950 (Indian Rupees One Thousand Nine Hundred and Ninety Nine Crore Ninety-Nine Lakh Ninety Nine Thousand Nine Hundred and Fifty only) to be paid by the Acquirer to the Target Company subject to the terms of the Investment Agreement and applicable law.
 - (ii) **Secondary Purchase:** In the event that after the Primary Completion and the completion of the Open Offer, the achieved shareholding of the Acquirer (along with the shareholding of the PAC and their affiliates, if any) is below the Target Shareholding (*defined below*), the Promoter Sellers shall sell to the Acquirer, and the Acquirer shall purchase from the Promoter Sellers, such Equity Shares being the number of Equity Shares equal to the difference between the Target Shareholding and the achieved shareholding subject to the terms of the Investment Agreement and applicable law. Subject to the consent of the Acquirer, the Promoter Sellers may procure that other members of the Existing Promoter and Promoter Group transfer their Equity Shares for ensuring that the Acquirer reaches the Target Shareholding.
 - (iii) **Target Shareholding:** The Target Shareholding is calculated under the Investment Agreement to mean the shareholding of the Acquirer, the PAC and their affiliates (*as defined in the Investment Agreement*) is equivalent to 51% of the total issued and paid up equity share capital of the Target Company on a fully diluted basis (*as calculated in terms of the Investment Agreement*).
- 12.2 **Conditions Precedent**
- (i) **Primary Conditions Precedent:**
 - (a) **Company Conditions Precedent:** The Primary Completion is subject to satisfaction (or waiver) of the following conditions precedent as specified under the Investment Agreement, including but not limited to the following key conditions precedent (the "**Company Conditions Precedent**"):A. receipt of the SE In-principle Approvals;
 - B. the valuation reports required pursuant to applicable exchange control regulations, Companies Act, 2013 and the SEBI ICDR Regulations confirming that the price at which the transactions contemplated in the Investment Agreement are proposed to be undertaken is equal to or greater than the fair value determined in accordance with the requirements under the FEMA Regulations, the Companies Act and the SEBI ICDR Regulations (as relevant);
 - C. the shareholders of the Target Company having passed the necessary resolutions approving the issuance of Subscription Shares on a preferential basis;
 - D. no Material Adverse Effect (*as defined under the Investment Agreement*) having occurred;
 - E. the "relevant date" as per Regulation 161(a) of the SEBI ICDR Regulations for the preferential issuance of the Subscription Shares being April 30, 2026, provided that in case of an issuance of the Subscription Shares pursuant to paragraph 12.4 of Part II of this DPS, the applicable "relevant date" shall be the date determined in terms of paragraph 12.4(ii) of Part II of this DPS;
 - F. each of the Company Fundamental Warranties and the Existing Promoter Warranties being true and correct as on the date of delivery of the condition precedent completion notice, the Agreement Date and the Primary Completion;
 - G. no breach of the Standstill Covenants (which has not been rectified in the manner set out in the Investment Agreement), breach of certain covenants of the Promoter Sellers regulating a transfer of their Equity Shares and breach of exclusivity obligations of the Promoter Sellers and the Target Company ("**Identified Covenants**") (which have not been rectified in the manner set out in the Investment Agreement); and
 - H. the Target Company and affiliates (*as defined in the Investment Agreement*) and/or members of the Existing Promoter and Promoter Group having executed agreements, clarifying matters in relation to ownership and rights to use of "IIFL"/ its sub-brands and the "Shree yantra device";
 - (b) **CCI Approval:** The application for the CCI Approval not being rejected or being received on onerous terms as set out in the Investment Agreement;
 - (c) **Identified Regulatory Approvals:** The application for the Identified Regulatory Approvals not being rejected or being received on onerous terms as set out in the Investment Agreement; and
 - (ii) **Secondary Conditions Precedent:** The Secondary Completion is subject to satisfaction (or waiver) of conditions precedent as specified under the Investment Agreement, including but not limited to the following: (a) there being no prohibition or restriction under applicable law that restrains or delays the ability of the Promoter Sellers from undertaking the Secondary Purchase and its other obligations under the Investment Agreement; (b) no Material Adverse Effect having occurred; (c) each of the Company Fundamental Warranties and Existing Promoter Warranties being true as on the date of the Agreement Date, Primary Completion and Secondary Completion; (d) there being no breach of the Identified Covenants (which have not been rectified in the manner set out in the Investment Agreement) and non-compete and non-solicit obligations; (e) there being no Specified Updates; and (f) there being no fraud event as specified in the Investment Agreement.
- 12.3 **Primary Completion and Secondary Completion**
- (i) **Primary Completion:** Upon satisfaction or waiver (in accordance with the Investment Agreement) of the Primary Conditions Precedent, the Primary Completion shall take place on such date as the Target Company, the Acquirer and the Promoter Sellers may mutually agree, provided that such date shall be within the prescribed timeline for allotment under applicable law and the Long Stop Date. As part of the Primary Completion, *inter alia*, the Target Company:

- (a) shall issue and allot the Subscription Shares to the Acquirer and issue instructions to the depository and registrar of the Target Company for credit of the Subscription Shares to the demat account of the Acquirer, in accordance with the process set out in Investment Agreement; (b) approve the appointment of 2 (two) persons nominated by the Acquirer as non-independent, non-executive directors of the Target Company; and (c) seek approval of shareholders of the Target Company for appointment of 2 (two) persons nominated by the Acquirer as non-independent, non-executive directors of the Company.
 - (ii) **Secondary Completion:** Upon satisfaction or waiver (in accordance with the Investment Agreement) of the Secondary Conditions Precedent, the Secondary Completion shall take place within 5 (five) business days of the satisfaction of the Secondary Conditions Precedent and in any event not later than the Long Stop Date. On Secondary Completion, *inter alia*: (a) the Acquirer shall issue irrevocable wire transfer instructions for effecting transfer of consideration payable for the Sale Shares to the relevant seller's bank account; (b) the relevant seller shall, on the date of Secondary Completion, deposit with their depository participants, irrevocable and unconditional duly executed delivery instructions for transfer of the Sale Shares held by them to the Acquirer's demat account; and (c) the Target Company shall hold a meeting of its Board and pass relevant resolutions for taking on record the transfer of the Sale Shares from the relevant seller to the Acquirer.
 - (iii) If pursuant to Primary Completion and completion of the Open Offer, the shareholding of the Acquirer, the PAC and their affiliates (*as defined in the Investment Agreement*) equal to or greater than the Target Shareholding, the Secondary Completion shall not take place.
- 12.4 **Rejection of Special Resolution:**
- In the event the Target Company cannot issue and allot the Subscription Shares to the Acquirer on account of the shareholders of the Target Company rejecting the special resolution for preferential issue of Subscription Shares, the Acquirer shall have the right at its sole and exclusive discretion to, subject to applicable law:
- (i) withdraw the Open Offer in accordance with the SEBI (SAST) Regulations and terminate the Investment Agreement; or
 - (ii) require the Target Company to convene and conclude another meeting of its shareholders at any time prior to the completion of the Open Offer for approving the issuance of the Subscription Shares, provided that: (a) the price per Equity Share as per applicable law is the same as the Price Per Subscription Share and the same is supported by the updated 'relevant date' (as indicated by the Acquirer) and valuation reports; (b) the number of Subscription Shares remains unchanged; (c) the CCI shall not have rejected the Acquirer's application for an approval; and (d) such exercise of option does not trigger or result in another open offer under the SEBI (SAST) Regulations.
- 12.5 **Warranties:**
- (i) Customary fundamental and other warranties have been provided by the Target Company to the Acquirer under the Investment Agreement, including as set out below:
 - (a) **Company Fundamental Warranties:** The fundamental warranties that have been provided by the Target Company, amongst others, are in relation to: (A) the Target Company's authority and capacity to enter into the transaction documents and to perform its obligations thereunder; (B) the Target Company's compliance with sanctions, anti-corruption laws and anti-money laundering laws; (C) the shareholding pattern of the Target Company on the Agreement Date, Primary Completion and Secondary Completion; (D) ownership and title of the Subscription Shares; (E) the Target Company having obtained all necessary consents and approvals to enter into and perform its obligations under the Investment Agreement and other transaction documents; (F) the Identified Regulatory Approvals obtained by the Target Company being valid as on the Primary Completion; (G) the Target Company having the full right, power, authority and capacity to conduct the business as currently conducted and to own, lease and operate its assets; (H) valid issuance and title of the Acquirer to the Equity Shares issued in the Preferential Issue and the Equity Shares issued in the Preferential Issue being free of encumbrance; (I) the Target Company not being insolvent or unable to pay its debts; and (J) securities or any options, warrants, contracts and other instruments or securities convertible or exchangeable for Equity Shares issued by the Target Company.
 - (b) **Other Company Warranties:** The other warranties that have been provided by the Target Company, amongst others, are in relation to (A) the Target Company not being engaged in any business other than the Business (*as defined under the Investment Agreement*); (B) the Target Company conducting its business in material compliance with applicable laws and the approvals obtained by it; (C) the accounts having been prepared in accordance with applicable laws and accounting standards; (D) the Target Company having complied with the terms and conditions of its financing agreements; (E) the Target Company's related party transactions having been carried out in the ordinary course, on arms' length basis and in accordance with applicable laws and policies of the Target Company; (F) payment of taxes by the Target Company to the extent required by applicable law; (G) the Target Company having duly filed all the material returns and documents required to be filed by the Target Company in accordance with applicable law; and (H) performance of the Investment Agreement by the Target Company not breaching rights of third parties and not resulting in the creation of any encumbrance over any assets, land or business of the Target Company; and regarding details of subsidiaries of the Target Company; and
 - (c) The Company Fundamental Warranties and the Other Company Warranties are provided at the time of signing the Investment Agreement and are deemed to be repeated at Primary Completion and Secondary Completion.
 - (ii) Customary warranties have been provided by the Promoter Sellers to the Acquirer under the Investment Agreement, including as set out below:
 - (a) **Existing Promoter Warranties:** The fundamental warranties that have been provided by the Promoter Sellers, amongst others, are in relation to: (A) their authority and capacity to enter into the transaction documents and to perform their obligations; (B) their compliance with sanctions, anti-corruption laws and anti-money laundering laws; (C) the Promoter Sellers not being insolvent or bankrupt under applicable law; (D) absence of orders of a court/ other governmental authority which would result in the transactions contemplated under the Investment Agreement being invalid or incapable of being consummated; and (E) provided that the Preferential Issue has taken place but the shareholding of the Acquirer has not reached the Target Shareholding: (I) the Sale Shares having been duly issued, the Promoter Sellers being the sole legal and beneficial owners of the Sale Shares held by them and there being no encumbrance on the Sale Shares; (II) there being no pending proceedings against any Promoter Sellers, which may render the transfer of Sale Shares void; and (III) taxation related aspects pertaining to the Sale Shares.
 - (b) The Existing Promoter Warranties are provided at the time of signing the Investment Agreement and are deemed to be repeated at Primary Completion and Secondary Completion.
 - (iii) **Updates:** The warranties are qualified by the updates, if any, delivered by the Target Company for any events (not being a breach of Standstill Covenants and not being a breach of the obligation on the Target Company to undertake business in ordinary course in compliance with applicable laws in all material respects) that arise between the Agreement Date and the Secondary Completion (and if there is no Secondary Completion, until the later of the Primary Completion and the completion of the Open Offer) ("**Standstill Period**"). In the event any Updates are notified to the Acquirer, the Acquirer has the right to terminate the Investment Agreement if: (a) any Update relates to an Other Company Warranty and results in a Material Adverse Effect (*as defined under the Investment Agreement*); (b) the Update is a material regulatory action by a regulatory authority which has an adverse impact on the reputation of the Acquirer or its affiliates (*as defined in the Investment Agreement*); or (c) the Updates relate to any Fundamental Company Warranty or any Existing Promoter Warranty ((a), (b) and (c), together, the "**Specified Updates**").
 - 12.6 **Indemnities:** The Target Company has provided indemnities (customary for transactions of this nature) to the Acquirer with respect to its Company Fundamental Warranties and the Other Company Warranties as well as with respect to its compliance with Standstill Obligations, its exclusivity obligations and its obligations to comply with anti-corruption, anti-money laundering and sanctions obligations. The Promoter Sellers have provided indemnities (customary for transactions of this nature) to the Acquirer with respect to their Existing Promoter Warranties and their obligations pertaining to regulating the transfer of their Equity Shares, their exclusivity obligations and their non-compete and non-solicit obligations.

12.7 **Special Rights:**

- The Investment Agreement specifies that the notice convening meeting of the shareholders of the Target Company for approving the Preferential Issue is required to include resolutions to amend the articles of association of the Target Company in a form agreed with the Acquirer such that the Acquirer will be entitled to the following rights in the Target Company, with effect from the Primary Completion (if completion of Open Offer has occurred on or prior to the Primary Completion), or post the completion of the Open Offer and from the date the Target Company instructs its depository and registrar to credit the Subscription Shares to the Acquirer's demat account (if completion of Open Offer has not occurred on or prior to the Primary Completion):
- (i) the right to nominate 2 (two) non-executive directors for appointment on the board of the Target Company until such time that the Acquirer holds at least 20% (twenty percent) of the share capital of the Target Company on a fully diluted basis (*as calculated in terms of the Investment Agreement*); and
 - (ii) the right to nominate 1 (one) non-executive director for appointment on the board of the Target Company until such time that the Acquirer holds at least 10% (ten percent) of the share capital of the Target Company on a fully diluted basis (*as calculated in terms of the Investment Agreement*).

12.8 **Standstill Covenants:**

During the Standstill Period, the Target Company is subject to customary standstill covenants, and is restricted from undertaking specific actions, without the written consent of the Acquirer, which among others include *inter alia* ("**Standstill Covenants**"): (i) declare, pay or make any dividend or distribution; (ii) dispose, transfer or create an encumbrance over the assets of the business (other than transactions undertaken in the ordinary course of business or with respect to transfer of the Target Company's shares in or its subsidiary's shares in or transfer by a subsidiary of any or all of the assets or businesses in specified or notified non-core subsidiaries); (iii) enter into any new line of business materially different from the existing business or make any material change in, or discontinue, the business (excluding the transactions with respect to specified or notified non-core subsidiaries as mentioned in sub-para (ii) above); (iv) undertake any issuance of equity interests or change in capital structure, or alteration of rights attached to any securities issued by the Target Company excluding the grant of certain committed employee stock options or cancellation or exercise of exiting employee stock options; (v) enter into new or amend existing related party contracts (except for *inter alia* in the ordinary course of business including the grant of committed employee stock options and cancellation or exercise of existing employee stock options and transfer of the Target Company's shares in or its subsidiary's shares in or transfer by a subsidiary of any or all of the assets or businesses in specified or notified non-core subsidiaries); (vi) provide borrowings or loans outside the ordinary course of business and in excess of pre-approved limits; and (vii) make any change in accounting or tax policies (except as required by law).

12.9 **Non-Compete and Non-Solicit:**

The Promoter Sellers have agreed to certain customary non-compete obligations with respect to themselves and certain identified relatives for a period of 5 (five) years from the Primary Completion. The Promoter Sellers and Target Company have agreed to certain mutual non-solicit obligations applicable for a period of 5 (five) years from the Primary Completion. No separate consideration is payable for the non-compete obligations or the non-solicit obligations.

12.10 **Status of Acquirer and PAC:**

After the Primary Completion and the completion of the Open Offer, the Acquirer shall be categorized as a 'promoter' of the Target Company (in addition to the Promoter Sellers) and the PAC shall be categorized as a member of the 'promoter group' of the Target Company, provided that if Primary Completion has taken place prior to the completion of the Open Offer (subject to compliance with Regulations 22(2) of the SEBI (SAST) Regulations), such categorization shall be from the Primary Completion.

12.11 **Re-classification:**

If and when a Promoter Seller is eligible to be reclassified as a "public shareholder" under Regulation 31A of the SEBI (LODR) Regulations, and applies to the Target Company to be so reclassified, the Target Company shall undertake all actions that are permissible to be undertaken by it under applicable law to procure that the Promoter Sellers are duly so reclassified.

12.12 **Other Key Covenants:**

- (i) **Sell Down:** If the aggregate shareholding of the public is below the minimum public shareholding norms ("**MPS**") post the Primary Completion and completion of the Open Offer, the Acquirer shall sell/transfer Equity Shares such that MPS is achieved, provided the Acquirer shall not be required to sell below 51% of the total issued and paid up equity share capital of the Target Company on a fully diluted basis (*as calculated in terms of the Investment Agreement*). If public shareholding remains below MPS after the Acquirer's sell-down, the Promoter Sellers shall sell in proportion to their inter-se holdings, provided that if the Acquirer and/or its affiliates (*as defined in the Investment Agreement*) and/ or persons acting in concert with the Acquirer, acquire(s) any Equity Shares other than pursuant to Primary Completion or Secondary Completion or the Open Offer, the entire sell-down obligation shall be borne solely and exclusively by the Acquirer.
- (ii) **Further Acquisitions:** Until the re-classification of the Promoter Sellers, the Promoter Sellers (either on their own, or together with any other affiliate(*as defined in the Investment Agreement*)) shall not acquire or agree to acquire any additional securities, voting rights, or control of the Target Company (directly or indirectly), irrespective of whether such acquisition triggers an open offer, without the prior written consent of the Acquirer.
- (iii) **No PAC Relationship:** The Existing Promoter and Promoter Group and their affiliates (*as defined in the Investment Agreement*) on the one hand and the Acquirer and its affiliates (*as defined in the Investment Agreement*) on the other hand are not persons acting in concert with each other in relation to their respective Equity Shares as on the Agreement Date, or in relation to any future direct or indirect acquisition of Equity Shares, voting rights or control.
- (iv) **Indemnity:** Each of the Acquirer and the Promoter Sellers have agreed to certain mutual indemnification obligations with respect to the above provisions.

12.13 **Acquirer not in Control prior to Primary Completion:**

Pursuant to the Investment Agreement, the parties have agreed that nothing in the Investment Agreement shall deem the Acquirer to be in "control" of the Target Company (as the term is understood in the context of the SEBI (SAST) Regulations) prior to the completion of the Open Offer and the Primary Completion, unless the Primary Completion has occurred prior to the completion of the Open Offer (subject to compliance with Regulation 22(2) of the SEBI (SAST) Regulations).

12.14 **Acquirer and the Promoter Sellers are not Persons Acting in Concert:**

Pursuant to the Investment Agreement, the parties have acknowledged that the Acquirer and the Promoter Sellers are not, and it is the intention of the parties that the Acquirer and the Promoter Sellers shall not be, construed as "Persons Acting in Concert" (as that term is understood in the context of the SEBI (SAST) Regulations), in relation to the transactions contemplated in the Investment Agreement or in relation to the Open Offer.

12.15 **Termination of the Investment Agreement**

The Investment Agreement can be terminated at any time by mutual written agreement of all parties to the Investment Agreement. Further, the Investment Agreement shall terminate prior to the Primary Completion, if the Primary Completion does not take place on or prior to the earlier of the Long Stop Date or the time period set out in Regulation 170 of the SEBI ICDR Regulations for completing the allotment of the Subscription Shares ("**Primary Outer Date**"), automatically on the Long Stop Date or the Primary Outer Date (as the case may be) without any action on the part of any party, or at the option of either of the parties if the Primary Conditions Precedent or the Secondary Conditions Precedent permanently cease to be capable of being fulfilled on or before the Long Stop Date. Additionally, the Investment Agreement can be terminated prior to the Primary Completion: (i) by the Acquirer prior to the Primary Completion if the 'relevant date' for the Preferential Issue as per SEBI ICDR Regulations falls after April 30, 2026 or if the 'relevant date' (indicated by the Acquirer) does not fall on the date indicated by the Acquirer in terms of Paragraph 12.4 of Part II of this DPS; (ii) automatically, upon the Acquirer exercising its right, subject to applicable law, to withdraw the Open Offer in accordance with Paragraph 12.4 of Part II of this DPS; (iii) at the option of the Acquirer, on occurrence of Material Adverse Effect, a fraud event (*as defined under the Investment Agreement*) or an insolvency event (*as defined under the Investment Agreement*); (iv) at the option of the Acquirer, upon it becoming aware of a breach or inaccuracy of any Company Fundamental Warranty or any Existing Promoter Warranty, at any time prior to the date of the Primary Completion; (v) at the option of the Acquirer, in case of a breach of the Identified Covenants (not being rectified in the manner set out in the Investment Agreement); or (vi) at the option of the Acquirer, in case of a Specified Update.

III. SHAREHOLDING AND ACQUISITION DETAILS

1. The current and proposed shareholding of the Acquirer and PAC in the Target Company and the details of its acquisition are as follows:

Details	Acquirer		PAC	
	Number of Equity Shares/voting rights	% of the Expanded Voting Share Capital	Number of Equity Shares/voting rights	% of the Expanded Voting Share Capital
Shareholding as on the PA date	8,46,41,445	21.98%	1,03,62,530	2.69%
Shares acquired between the PA date and the DPS date	Nil	Nil	Nil	Nil
Post Offer shareholding calculated on Expanded Voting Share Capital (assuming that: (i) the Preferential Issue is completed; (ii) no Equity Shares are tendered in the Open Offer); and (iii) Secondary Purchase has not occurred	14,17,84,302	36.81%	1,03,62,530	2.69%
Post Offer shareholding calculated on Expanded Voting Share Capital (assuming that: (i) the Preferential Issue is completed; (ii) no Equity Shares are tendered in the Open Offer); and (iii) Secondary Purchase has not occurred	18,60,73,996	48.31% ⁽²⁾	1,03,62,530	2.69%
Post Offer shareholding calculated on Expanded Voting Share Capital (assuming that: (i) the Preferential Issue is completed; (ii) no Equity Shares are tendered in the Open Offer); and (iii) Secondary Purchase has occurred ⁽¹⁾)	24,19,28,414	62.81%	1,03,62,530	2.69%

⁽¹⁾ The extent of Equity Shares to be acquired as part of the Secondary Purchase will depend upon the extent of Equity Shares tendered in the Open Offer

⁽²⁾ This percentage is calculated on an Expanded Voting Share Capital basis. In terms of the Investment Agreement, post the completion of the Preferential Issue and the Open Offer, if the total shareholding of the Acquirer and the PAC is less than 51% of the issued and paid up equity share capital of the Target Company on a fully diluted basis (as calculated in terms of the Investment Agreement), the Secondary Purchase shall be for such number of Equity Shares such that the shareholding of the Acquirer and the PAC is equivalent to 51% of the issued and paid up equity share capital of the Target Company on a fully diluted basis (as calculated in terms of the Investment Agreement).

2. As per Regulation 38 of the SEBI (LODR) Regulations read with Rule 19A of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), the Target Company is required to maintain at least 25% (twenty-five per cent) public shareholding, as determined in accordance with the SCRR, on a continuous basis for listing. If as a result of acquisition of Equity Shares pursuant to the Preferential Issue and the Open Offer, the public shareholding in the Target Company falls below the minimum public shareholding requirement as per SCRR and the SEBI (LODR) Regulations, then the Acquirer and the Promoter Sellers have agreed to take necessary steps to bring down their shareholding in order to ensure that the Target Company satisfies the minimum public shareholding requirements, within the time prescribed under applicable law, in accordance with the Investment Agreement.
3. As on the date of this DPS, none of the members of the board of directors of the Acquirer hold any Equity Shares.

IV. OFFER PRICE

1. The Equity Shares are listed on BSE (Scrip code: 542773) and NSE (Scrip code: IIFLCAPS). The ISIN of the Equity Shares is INE489L01022.
2. The annualized trading turnover in the shares on the NSE and BSE based on trading volume during the 12 (twelve) calendar months prior to the month of the PA (1st May 2025 to 30th April 2026) ("Twelve Month Period") is as given below:

STOCK EXCHANGE	NUMBER OF SHARES TRADED (A)	NUMBER OF SHARES (B)	(A) as % of (B)
NSE	17,62,67,899	30,99,55,809	56.868%
BSE	1,60,59,276	30,99,55,809	5.181%

Source: Websites of NSE: www.nseindia.com and BSE: www.bseindia.com and as certified pursuant to Certificate dated May 7, 2026, issued by M/s. K. J. Sheth & Associates, Chartered Accountant (Firm Registration No: 118598W) and UDIN: 26037824EFGKOR6294.

- Based on the above, in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations, the Equity Shares are frequently traded on NSE within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations.
3. The Offer Price of INR 350 (Indian Rupees Three Hundred and Fifty only) per Equity Share has been determined in terms of Regulations 8(1) and 8(2) of the SEBI (SAST) Regulations, being the highest of the following parameters:

S. No.	Details	Price
(a)	The highest negotiated price per Equity Share for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer i.e., the Price Per Subscription Share and Price Per Sale Share under the Investment Agreement	INR 350
(b)	The volume-weighted average price paid or payable per Equity Share for acquisitions, whether by the Acquirer or by any person acting in concert with it, during the 52 (fifty two) weeks immediately preceding the date of the PA	Not Applicable ⁽¹⁾
(c)	The highest price paid or payable per Equity Share for any acquisition, whether by the Acquirer or any person acting in concert with it, during the 26 (twenty six) weeks immediately preceding the date of the PA	Not Applicable ⁽¹⁾
(d)	The volume-weighted average market price of the Equity Shares for a period of 60 (sixty) trading days immediately preceding the date of the PA, as traded on the stock exchange where the maximum volume of trading in the Equity Shares are recorded during Twelve Month Period and such shares are frequently traded	INR 304.66
(e)	Where the Equity Shares are not frequently traded, the price determined by the Acquirer and the Manager taking into account valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies	Not Applicable ⁽²⁾
(f)	The per Equity Share value computed under Regulation 8(5) of the SEBI (SAST) Regulations, if applicable	Not Applicable

Notes:

- (1) Acquirer and PAC have not acquired any Equity Shares during the fifty-two weeks or twenty-six weeks immediately preceding the date of the Public Announcement.
- (2) Not applicable as the Equity Shares are frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations.
- Source:** Certificate dated May 7, 2026 ((UDIN: 26037824EFGKOR6294), issued by Mr. Kirit Sheth (Membership No: 037824), proprietor of M/s. K. J. Sheth & Associates, Chartered Accountant (Firm Registration No: 118598W).
4. In view of the parameters considered and presented in the table in Paragraph 3 above, the minimum offer price per Equity Share under Regulation 8(1) read with Regulation 8(2) of the SEBI (SAST) Regulations is the highest of above parameters, i.e., INR 350 (Indian Rupees Three Hundred and Fifty only) per

- Equity Share. Accordingly, the Offer Price is justified in terms of the SEBI (SAST) Regulations.
5. Pursuant to Regulation 8(17) of the SEBI (SAST) Regulations, there has been no confirmation for any reported event or information provided by the Target Company due to any material price movement as per the framework specified under sub-regulation (11) of Regulation 30 of the SEBI (LODR) Regulations and thus no exclusion or adjustment has been made for determination of offer price under the SEBI (SAST) Regulations.
6. The Offer Price may be adjusted by the Acquirer, in consultation with the Manager, in the event of any corporate action(s) such as issuances pursuant to rights issue, bonus issue, stock consolidations, stock splits, payment of dividend, de-mergers, reduction of capital, etc. where the record date for effecting such corporate action(s) falls prior to the 3rd (third) Working Day before the commencement of the Tendering Period, in accordance with Regulation 8(9) of the SEBI (SAST) Regulations.
7. An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, may be undertaken by the Acquirer at any time prior to the commencement of 1 (one) Working Day before the commencement of the Tendering Period, in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. Further, in the event of any acquisition of the Equity Shares by the Acquirer or PAC, during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition, in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer or PAC shall not acquire any Equity Shares after the 3rd (third) Working Day before the commencement of the Tendering Period and until the expiry of the Tendering Period.
8. As on the date of this DPS, there is no revision in the Offer Price or Offer Size. In the event of a revision in the Offer Price or Offer Size, the Acquirer shall: (a) make corresponding increases to the escrow amount in the Offer Escrow Account (as defined below); (b) make a public announcement in the same newspapers in which this DPS has been published; and (c) simultaneously with the issue of such public announcement, inform SEBI, BSE, and the Target Company at its registered office of such revision.
9. If the Acquirer or PAC acquire Equity Shares during the period of 26 (twenty-six) weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all the Public Shareholders whose shares have been accepted in the Offer, within 60 (sixty) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to SEBI Delisting Regulations, as amended, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.

V. FINANCIAL ARRANGEMENTS

1. The maximum consideration, i.e., total funding requirement for the Open Offer, assuming full acceptance of the Offer, is INR 3505,04,39,200 (Indian Rupees Three Thousand Five Hundred Five Crore Four Lakh Thirty Nine Thousand Two Hundred only).
2. The Acquirer vide board resolution dated May 7, 2026 has confirmed that it has adequate resources for fulfilling the payment obligations under this Open Offer in terms of Regulation 25(1) of the SEBI SAST Regulations and that the Acquirer is able to implement this Open Offer. The source of funds is internal accruals.
3. In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer and the Manager have entered into an escrow agreement dated May 7, 2026 with The Hongkong And Shanghai Banking Corporation Limited, having its registered office at 1, Queens Road Central, Hong Kong, India corporate office at 52/60 Mahatma Gandhi Road, Fort, Mumbai 400 001 and acting through its office at 11th Floor, Building 3, NESCO - IT Park, NESCO Complex, Western Express Highway, Goregaon (East), Mumbai, Maharashtra, India 400063 ("Escrow Bank") ("Escrow Agreement"), and the Acquirer has created an escrow account named "HSBC – FIH Mauritius Investments Ltd – Open Offer Escrow Account" ("Offer Escrow Account") with the Escrow Bank. The Acquirer has made a cash deposit in the Escrow Account of a sum of INR 35,05,04,392 (Indian Rupees Thirty Five Crore Five Lakh Four Thousand Three Hundred Ninety Two only) on May 8, 2026, ("Cash Escrow Amount") which is 1% (one per cent) of the Maximum Consideration in accordance with the SEBI (SAST) Regulations. In accordance with Regulation 17(5) of the SEBI (SAST) Regulations, the Manager to the Offer has been solely authorised and empowered by the Acquirer to operate and realize the Escrow Amount lying to the credit of the Escrow Account.
4. By way of security for performance by the Acquirer of its obligations under the SEBI (SAST) Regulations, the Acquirer has furnished an unconditional and irrevocable bank guarantee dated May 7, 2026 from The Hongkong And Shanghai Banking Corporation Limited, ("Bank Guarantee"), for an amount of INR 425,50,43,920 (Indian Rupees Four Hundred Twenty Five Crore Fifty Lakh Forty Three Thousand Nine Hundred Twenty only), in favour of the Manager, which is as per the requirements specified under Regulation 17 of the SEBI (SAST) Regulations (i.e. 25.00% (twenty five per cent) of the first INR 500,00,00,000 (Indian Rupees Five Hundred Crores only) of the Open Offer Consideration and 10.00% (ten per cent) of the remainder of the Open Offer Consideration). The bank issuing the Bank Guarantee is neither an associate company nor a group company of the Acquirer, the PAC or the Target Company. The Bank Guarantee is valid up till November 4, 2026 with an option to extend the guarantee by another 6 (six) months i.e. May 6, 2027, at the request of the Acquirer. The Manager has been duly authorized to realize the value of the Cash Escrow Amount and Bank Guarantee in terms of the SEBI (SAST) Regulations.
5. After considering aforementioned, Mr. Kirit Sheth (Membership No: 037824), proprietor of M/s. K. J. Sheth & Associates, Chartered Accountant (Firm Registration No: 118598W) and having office at 507, Atlantic Commercial Tower, R.B. Mehta Marg, Ghatkopar (E), Mumbai – 400 077 by way of certificate dated May 7, 2026 (UDIN: 26037824AYHOED7007), has certified that (a) the Acquirer has sufficient means and capability for the purpose of fulfilling its obligations under the Open Offer/ implementing the Open Offer; (b) the Acquirer has adequate and firm financial resources/ arrangements through verifiable means to fulfill the obligations under the Open Offer; and (c) the aforementioned financial arrangement is free from any liens, encumbrances or disability and is adequately liquid to meet the obligations of the Acquirer under the Open Offer.
6. Based on the above, the Manager is satisfied: (a) about the adequacy of resources to meet the financial requirements of the Open Offer and the ability of the Acquirer to implement the Open Offer in accordance with the SEBI (SAST) Regulations; and (b) that firm arrangements for payment through verifiable means are in place to fulfill the obligations under the Open Offer.
7. In case of any upward revision in the Offer Price or the Offer Size, a corresponding increase to the escrow amounts as mentioned above shall be made by the Acquirer, in terms of Regulation 17(2) of the SEBI (SAST) Regulations, prior to effecting such revision.

VI. STATUTORY AND OTHER APPROVALS

1. To the best of the knowledge of the Acquirer and the PAC, there are no statutory or regulatory approvals required to complete the acquisition under the Investment Agreement and the Open Offer as on the date of this DPS, except as set out below. The consummation of the Underlying Transaction and completion of the Open Offer is subject to receipt of all applicable regulatory/ statutory approvals, including the Required Statutory Approvals set out below:

- 1.1 Identified Regulatory Approvals:

S. No.	Details of approval	Applicable Law pursuant to which approval is required
1.	Approval/ no objection certificate for change in control of the Target Company from: (i) SEBI (ii) NSE (iii) BSE (iv) Multi Commodity Exchange of India Limited (v) National Commodity and Derivatives Exchange Limited (vi) NSE Clearing Limited (vii) Indian Clearing Corporation Limited (viii) National Commodity Clearing Limited (ix) Multi Commodity Exchange Clearing Corporation Limited	Regulation 10(c) of the SEBI (Stock Brokers) Regulations, 2026 and paragraphs 68 and 69 of the SEBI Master Circular for Stock Brokers dated June 17, 2025 bearing reference number SEBI/HO/MIRSD/ MIRSD-PoD/P/CIR/2025/90, as amended from time to time, and the applicable rules, regulations and by-laws of the stock exchanges and clearing corporations.

S. No.	Details of approval	Applicable Law pursuant to which approval is required
2.	Approval/ no objection certificate for change in control of the Target Company from: (i) SEBI (ii) Central Depository Services (India) Limited (iii) National Securities Depository Limited	Regulation 36(2)(d) of the SEBI (Depositories and Participants) Regulations, 2018 read with the SEBI circular dated November 28, 2022, titled 'Procedure for seeking prior approval for change in control' bearing reference number SEBI/ HO/MIRSD/MIRSD-PoD-2/P/ CIR/2022/163.
3.	Approval/ no objection certificate for change in control of the Target Company from: (i) SEBI (ii) BSE	(i) Regulation 24(3) of the SEBI (Research Analysts) Regulations, 2014 and paragraph 9 of the SEBI Master Circular for Research Analysts dated February 6, 2026 bearing reference number HO/38/12/11(1)2026-MIRSD-POD/I/4360/2026, as amended from time to time, and the applicable by-laws of BSE. (ii) Regulation 15(11) of the SEBI (Investment Advisers) Regulations, 2013 and paragraph 8 of the SEBI Master Circular for Investment Advisers dated February 6, 2026 bearing reference number HO/38/12/11(2)2026-MIRSD-POD/I/4300/2026, as amended from time to time, and the applicable by-laws of BSE.
4.	Approval for change in control of the Target Company from SEBI.	(i) Regulation 9A(a) of the SEBI (Merchant Bankers) Regulations, 1992 and paragraph 5 of the SEBI Master Circular for Merchant Bankers dated September 26, 2023 bearing reference number SEBI/HO/CFD/ PoD-1/P/CIR/2023/157, as amended from time to time. (ii) Regulation 11(aa) of the SEBI (Portfolio Managers) Regulations, 2020 and paragraph 1.5 of the SEBI Master Circular for Portfolio Managers dated July 16, 2025 bearing reference number SEBI/HO/IMD/IMD-POD-1/P/CIR/2025/104, as amended from time to time.
5.	Approval for change in control of IIFL Capital Asset Management Limited from: (i) SEBI (ii) BSE	Regulation 15(11) of the SEBI (Investment Advisers) Regulations, 2013 and paragraph 8 of the SEBI Master Circular for Investment Advisers dated February 6, 2026 bearing reference number HO/38/12/11(2)2026-MIRSD-POD/I/4300/2026, as amended from time to time, and the applicable by-laws of BSE.
6.	Approval for change in control of IIFL Capital Asset Management Limited from SEBI.	Regulation 11(aa) of the SEBI (Portfolio Managers) Regulations, 2020 and paragraph 1.5 of the SEBI Master Circular for Portfolio Managers dated July 16, 2025 bearing reference number SEBI/HO/IMD/IMD-POD-1/P/ CIR/2025/104, as amended from time to time.
7.	Approval for change in control of IIFL Capital Asset Management Limited from SEBI.	Regulation 20(13) of the SEBI (Alternative Investment Funds) Regulations, 2012 and paragraph 19.1 of the SEBI Master Circular for Alternative Investment Funds dated May 7, 2024 bearing reference number SEBI/HO/AFD-1/AFD-1-PoD/P/CIR/2024/39, as amended from time to time.
8.	Approval for change in control of IIFL Management Services Limited from SEBI.	Regulation 20(13) of the SEBI (Alternative Investment Funds) Regulations, 2012 and paragraph 19.1 of the SEBI Master Circular for Alternative Investment Funds dated May 7, 2024 bearing reference number SEBI/HO/AFD-1/AFD-1-PoD/P/CIR/2024/39, as amended from time to time.
9.	Approval for change in control of the Target Company from PFRDA.	Regulation 11(a) of Pension Fund Regulatory and Development Authority (Point of Presence) Regulations, 2018
10.	Approval for change in control of the Target Company from IRDAI.	Regulation 29(1) of IRDAI (Registration of Corporate Agents) Regulations, 2015
11.	Approval for change in control of Livlong Insurance Brokers Limited.	Regulation 25(1) of Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2018
12.	Approval for change in control of Livlong Protection and Wellness Solutions Limited.	Regulation 29(1) of IRDAI (Registration of Corporate Agents) Regulations, 2015
13.	Prior approval/ no objection certificate for change in control of IIFL Securities Services IFSC Limited from the International Financial Services Centres Authority, if applicable.	Regulation 125 of the IFSCA (Fund Management) Regulations, 2025, or Regulation 23 of the IFSCA (Capital Market Intermediaries) Regulations, 2025, as applicable.

- 1.2 CCI Approval; and
- 1.3 SE In-principle Approvals.
2. In case of any further statutory approvals are required, at a later date, this Open Offer shall be subject to such statutory approvals having been obtained.
3. In addition to the above Required Statutory Approvals, the consummation of the Underlying Transaction and completion of the Open Offer is subject to the satisfaction of the conditions set out in the Investment Agreement, including the Key Conditions Precedent.
4. In case of delay/ non receipt of any statutory approvals which may be required by the Acquirer and/or the PAC, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of approvals was not attributable to any wilful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Open Offer, subject to the Acquirer agreeing to pay interest to the Public Shareholders (who validly tender their shares in the Open Offer) at such rate as may be specified by SEBI. Provided that where the statutory approvals are required by some but not all holders of the Equity Shares, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer.
5. This Offer is subject to the terms and conditions mentioned in the PA, this DPS and as will be set out in Letter of Offer, to be issued for the Open Offer in accordance with the SEBI (SAST) Regulations. Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Offer.
6. All Public Shareholders (including residents, non-resident Indians, overseas corporate bodies or non-resident shareholders) must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) held by them in the Offer and submit such approvals,

7. In the event that the Required Statutory Approvals, or those which become applicable prior to completion of the Offer, are not received or are finally refused for any reason or are not satisfied in accordance with the Investment Agreement for reasons outside the reasonable control of the Acquirer, or if any of the Key Conditions Precedent are not met for reasons outside the reasonable control of the Acquirer and the Investment Agreement is terminated in accordance with Paragraph 12.15 of Part II (Background to the Open Offer), or the Acquirer terminates the Investment Agreement prior to the Primary Completion in terms of Paragraph 12.15 of Part II of this DPS for reasons outside the reasonable control of the Acquirer, and in each of the foregoing case the Acquirer terminates the Investment Agreement, then the Acquirer and the PAC shall have the right to withdraw this Open Offer in terms of Regulation 23 of the SEBI (SAST) Regulations. In the event of withdrawal of this Open Offer, a public announcement stating the grounds and reasons for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations will be made within 2 (two) Working Days of such withdrawal, in the same newspapers in which this DPS has been published and such public announcement will also be sent to the Stock Exchanges, SEBI and the Target Company at its registered office.
8. Subject to the receipt of the statutory and other approvals (including Required Statutory Approvals) in the form and substance acceptable to Acquirer, the Acquirer shall complete all the procedures relating to payment of consideration under this Open Offer within 10 (ten) Working Days from the date of closure of the Tendering Period to those Public Shareholders whose Equity Shares are accepted in the Open Offer and whose share certificates (if applicable) or other documents are found valid and in order and are approved for acquisition by the Acquirer.

S. No.	Activity	Schedule (Date and Day) ⁽¹⁾
1.	Issue of Public Announcement	Thursday, May 7, 2026
2.	Publication of this DPS in newspapers	Wednesday, 13 May, 2026
3.	Last date for filing of the draft Letter of Offer (" DLoF ") with SEBI	Wednesday, 20 May, 2026
4.	Last date for the public announcement for competing offer(s)	Thursday, 4 June, 2026
5.	Last date for receipt of SEBI observations on the DLoF (in the event SEBI has not sought clarifications or additional information from the Manager)	Thursday, 11 June, 2026
6.	Identified Date(2)	Monday, 15 June, 2026
7.	Last date by which the LOF is to be dispatched to the Public Shareholders whose names appear on the register of members on the Identified Date	Monday, 22 June, 2026
8.	Last date by which the committee of the independent directors of the Target Company is required to give its recommendation to the Public Shareholders for the Open Offer	Thursday, 25 June, 2026
9.	Last date for upward revision of the Offer Price / Offer Size	Monday, 29 June, 2026
10.	Date of publication of offer opening public announcement in the newspapers in which this DPS has been published	Monday, 29 June, 2026
11.	Date of commencement of the Tendering Period (" Offer Opening Date ")	Tuesday, 30 June, 2026
12.	Date of closure of the Tendering Period (" Offer Closing Date ")	Monday, 13 July, 2026
13.	Last date of communicating the rejection / acceptance and completion of payment of consideration or refund of Equity Shares to the Public Shareholders	Monday, 27 July, 2026
14.	Last date for publication of post-Offer public announcement in the newspapers in which this DPS has been published	Monday, 3 August, 2026

- (1) *The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations) and subject to receipt of requisite statutory and other approvals and may have to be revised accordingly. Where last dates are mentioned for certain activities, such activities may take place on or before the respective last dates.*
- (2) *The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the LOF would be sent. It is clarified that all holders (registered or unregistered) of Equity Shares (except those who are excluded from the ambit of Public Shareholders) are eligible to participate in the Open Offer at any time during the Tendering Period.*

(d) As per the Master Circular, a lien shall be marked against the Equity Shares of the Public Shareholders participating in the tender offer. Upon

Date: May 12, 2026

असेट रिकंस्ट्रक्शन कंपनी (इंडिया)