

DETAILED PUBLIC STATEMENT IN TERMS OF REGULATIONS 13(4), 14, 15(2) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 TO THE EQUITY SHAREHOLDERS OF

IIFL HOLDINGS LIMITED

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OPEN OFFER FOR ACQUISITION OF 8,31,28,852 EQUITY SHARES ("OFFER") OF ₹ 2 EACH FROM THE EQUITY SHAREHOLDERS OF IIFL HOLDINGS LIMITED (THE "TARGET COMPANY") CONSTITUTING 26% OF THE POST-OFFER EQUITY SHARE CAPITAL OF THE TARGET COMPANY ("OFFER SIZE") AS OF THE TENTH WORKING DAY FROM THE CLOSURE OF THE TENDERING PERIOD ASSUMING FULL EXERCISE OF 85,83,405 OUTSTANDING EMPLOYEE STOCK OPTIONS AND INCLUDES ANY POTENTIAL INCREASES TO THE NUMBER OF OUTSTANDING EQUITY SHARES DURING THE OFFER PERIOD AS CONTEMPLATED AS OF THE DATE OF THE PUBLIC ANNOUNCEMENT ("EMERGING VOTING CAPITAL") (CONSIDERING THE EQUITY SHARE CAPITAL AS ON THE DATE OF THE PUBLIC ANNOUNCEMENT AND THE VESTED OUTSTANDING EMPLOYEE STOCK OPTIONS AS ON MARCH 31, 2015) BY IIFL MAURITIUS INVESTMENTS LTD. ("ACQUIRER"), WITH HWIC ASIA FUND (CLASS A SHARES) ("PAC 1"), INVESTMENTS LIMITED ("PAC 2"), AND FIH PRIVATE INVESTMENTS LTD. ("PAC 3") AS THE PERSONS ACTING IN CONCERT WITH THE ACQUIRER ("PERSONS ACTING IN CONCERT"/"PAC").

This detailed public statement ("DPS") is being issued by ICICI Securities Limited, the manager to the Offer ("Manager"), for and on behalf of the Acquirer and PAC in compliance with Regulations 13(4), 14, 15(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereto ("Takeover Regulations") pursuant to the public announcement dated July 14, 2015 ("PA") filed with BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") by way of letters dated July 14, 2015, and filed with the Securities and Exchange Board of India ("SEBI") and the Target Company, by way of letters dated July 14, 2015, in terms of Regulation 3(1) of the Takeover Regulations.

I. ACQUIRER, PAC, TARGET COMPANY AND OFFER

1. Information about FIH Mauritius Investments Ltd. (the Acquirer)

- (a) The Acquirer, FIH Mauritius Investments Ltd., is a private company limited by shares, incorporated on November 12, 2014 under the laws of Republic of Mauritius, pursuant to the (Mauritius) Companies Act, 2001 and subsequent amendments and re-enactment thereto. The Acquirer holds a Category 1 Global Business License issued by the Financial Services Commission, Mauritius ("FSC").
- (b) The Acquirer was established for the purposes of making investments in India and has been registered as an investment holding company with the FSC.
- (c) The Acquirer was incorporated as FIH Mauritius Investments Ltd. There has not been any change in the name of the Acquirer post incorporation.
- (d) The registered office of the Acquirer is located at Level 1, Maeva Tower, Cybercity, Ebene, Mauritius (Tel.: +2304643040/3031, Fax: +2304681930, Email: info@fihmauritius.com).
- (e) The Acquirer belongs to the Fairfax group and is a wholly-owned subsidiary of Fairfax India Holdings Corporation ("FIHC"). FIHC is listed on the Toronto Stock Exchange under the symbol "FIH.U" and has a market capitalization of approximately INR 80,00,00,00,000 (Rupees Eight Thousand Crores only) (USD 1,260,000,000 (United States Dollars One Billion Two Hundred and Sixty Million only)) calculated as per the exchange rate prescribed by the Reserve Bank of India ("RBI") on July 17, 2015. FIHC was incorporated under the Canada Business Corporations Act on November 25, 2013. FIHC is registered office located in Canada. FIHC was established with a view to achieve long-term capital appreciation by investing in public and private equity securities and debt instruments in India and Indian businesses or other businesses with customers, suppliers or business primarily conducted in, or dependent on, India. Fairfax Financial Holdings Limited ("FFHL") holds multiple voting shares of FIHC which collectively represents 95.6% (Ninety Five point Six percent) of the voting rights of FIHC and 30.7% (Thirty point Seven percent) of the equity interest of FIHC. FFHL is listed on the Toronto Stock Exchange under the symbol "FFH" and has a market capitalization of approximately INR 7,18,02,16,62,288 (Rupees Seventy One Thousand Eight Hundred and Two Crores Sixteen Lakhs Sixty Two Thousand Two Hundred and Eighty Eight only) (USD 11,308,710,000 (United States Dollars Eleven Billion Three Hundred and Eight Million Seven Hundred and Ten Thousand only)) calculated as per the exchange rate prescribed by the RBI on July 17, 2015. FFHL is promoted by Mr. V. Prem Watsa.
- (f) PAC 1, i.e. HWIC Asia Fund (Class A Shares) also belongs to the Fairfax group. PAC 2, i.e. 1 Investments Limited is a wholly owned subsidiary of HWIC Asia Fund which is ultimately promoted by FFHL. PAC 3, i.e. FIH Private Investments Ltd. is a wholly owned subsidiary of the Acquirer. PAC 2 and PAC 3 belong to the Fairfax group.
- (g) The Acquirer does not hold any equity shares of the Target Company having a face value of ₹ 2 (Rupees Two) each ("Equity Shares").
- (h) The Acquirer, its directors and/or its key employees do not have any interest in the Target Company.
- (i) The shares of the Acquirer are not listed on any stock exchange.
- (j) The Acquirer and its promoters/persons in control have not been prohibited by SEBI, from dealing in securities, in terms of Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act"), or under any of the regulations made under the SEBI Act.
- (k) The brief standalone financial information of the Acquirer, as derived from its audited standalone financial statements as at and for the period from November 12, 2014 to December 31, 2014 and from its reviewed standalone financial information as at and for the quarter ended March 31, 2015, are as under:

(in ₹ million except EPS)

Particulars	Limited Review	Audited	Audited	Audited
	Quarter ended Mar 31, 2015	Period from Nov 12, 2014 to Dec 31, 2014	Year ended Dec 31, 2013	Year ended Dec 31, 2012
Total Revenue	19.74	-	N.A.	N.A.
Net Income/(Loss)	11.06	(0.55)	N.A.	N.A.
EPS (₹)	0.55	(92.11)	N.A.	N.A.
Net Worth/ Shareholders' Funds	46,514.00	(0.17)	N.A.	N.A.

Note: The Acquirer was incorporated on November 12, 2014. Accordingly, the Acquirer's first audited financial statement was for period ended 31 December 2014.

2. Information about HWIC Asia Fund (Class A Shares) (PAC 1)

- (a) HWIC Asia Fund is a public limited company incorporated on January 20, 2000 under the laws of Republic of Mauritius and holds a Category 1 Global Business License issued by the FSC. PAC 1, HWIC Asia Fund (Class A Shares) is a sub-fund of HWIC Asia Fund. HWIC Asia Fund operates as a Collective Investment Scheme (an authorisation issued by the FSC under Section 97 of the (Mauritius) Securities Act, 2005) and as an expert fund under Regulation 79 of the (Mauritius) Securities (Collective Investment Schemes and Closed End Fund) Regulations.
- (b) HWIC Asia Fund is a multi-class investment company. The principal activity of PAC 1 is to invest directly or indirectly in a diversified portfolio of listed and unlisted equity and equity-related securities of Asian companies to seek long term capital appreciation. PAC 1 is registered with SEBI as a foreign institutional investor ("FII") sub-account having the sub-account number 2000800, under FII SEBI registration number IN-CA-FA-0229-94.
- (c) HWIC Asia Fund was incorporated as ORCASHA Limited, which was changed to HWIC Asia Fund on July 11, 2003.
- (d) The registered office of PAC 1 is located at IFS Court, Twenty Eight Cybercity, Ebene, Republic of Mauritius. (Tel.: +2304643044/3393, Fax: +2304681936, Email: info@hwicasia.com).
- (e) United States Fire Insurance Company ("USFIC") holds 70.29% (Seventy point Two Nine percent) of the voting share capital in PAC 1. USFIC is ultimately owned by FFHL. PAC 1 also is ultimately majority owned by FFHL.
- (f) PAC 1 belongs to the Fairfax group.
- (g) PAC 1 holds 2,79,10,000 Equity Shares constituting 8.97% (Eight Point Nine Seven percent) of the total paid up equity share capital of the Target Company and 8.73% (Eight point Seven Three percent) of the Emerging Voting Capital. Mr. Chandran Ratnaswami, a director on the board of directors of HWIC Asia Fund, has been appointed as a non-executive director on the board of directors of the Target Company since May 15, 2012.
- (h) Further, USFIC and Odyssey Reinsurance Company ("ORC") have an economic interest in the underlying Equity Shares, representing 5.24% (Five point Two Four percent) of the total paid up equity share capital of the Target Company, through cash-settled offshore derivative instruments. USFIC and ORC do not have or exercise any voting rights in relation to the underlying Equity Shares.
- (i) The shares of PAC 1 are not listed on any stock exchange.
- (j) PAC 1 has not been prohibited by SEBI, from dealing in securities, in terms of Section 11B of the SEBI Act, or under any of the regulations made under the SEBI Act.
- (k) The brief standalone financial information of HWIC Asia Fund, as derived from its audited standalone financial statements as at and for the financial years ended December 31, 2014, 2013 and 2012 and from its reviewed standalone financial information as at and for the quarter ended March 31, 2015, are as under:

(in ₹ million except EPS)

Particulars	Limited Review		Audited		Audited		Audited	
	Quarter ended Mar 31, 2015		Year ended Dec 31, 2014		Year ended Dec 31, 2013		Year ended Dec 31, 2012	
	USD	INR	USD	INR	USD	INR	USD	INR
Total Revenue	29.78	1,853.58	131.75	8,038.86	(46.26)	(2,870.30)	107.55	5,749.50
Net Income/(Loss)	27.38	1,704.34	125.28	7,643.85	(48.24)	(2,993.08)	106.01	5,667.24
EPS	1.67	103.86	7.57	461.70	(7.53)	(467.12)	17.89	956.46
Net Worth/ Shareholders' Funds	1,639.29	102,588.97	1,617.95	102,129.11	513.87	31,785.47	528.15	28,234.34

Notes:

- (1) The Balance Sheet INR figures for the quarter ended 31 March 2015 have been translated using the spot rate on 31 March 2015, i.e. INR 62.58 to USD 1.
- (2) The Balance Sheet INR figures for the year ended 31 December 2014 have been translated using the spot rate on 31 December 2014, i.e. INR 63.12 to USD 1.
- (3) The Balance Sheet INR figures for the year ended 31 December 2013 have been translated using the spot rate on 31 December 2013, i.e. INR 61.85 to USD 1.
- (4) The Balance Sheet INR figures for the year ended 31 December 2012 have been translated using the spot rate on 31 December 2012, i.e. INR 53.46 to USD 1.
- (5) The Profit & Loss Statement INR figures for the quarter ended 31 March 2015 have been translated using the average rate for the period, i.e. INR 62.24 to USD 1.
- (6) The Profit & Loss Statement INR figures for the year ended 31 December 2014 have been translated using the average rate for the year 2014, i.e. INR 61.01 to USD 1.
- (7) The Profit & Loss Statement INR figures for the year ended 31 December 2013 have been translated using the average rate for the year 2013, i.e. INR 62.04 to USD 1.

(8) The Profit & Loss Statement INR figures for the year ended 31 December 2012 have been translated using the average rate for the year 2012, i.e. INR 53.46 to USD 1.

3. Information about 1 Investments Limited (PAC 2)

- (a) PAC 2, 1 Investments Limited, is a private company, incorporated on March 19, 2015 under the laws of Republic of Mauritius, pursuant to (Mauritius) Companies Act, 2001 and subsequent amendments and re-enactment thereto. PAC 2 holds a Category 1 Global Business License issued by the FSC.
- (b) PAC 2 was incorporated as an investment holding company with the objective of making investments in India.
- (c) PAC 2 was incorporated as 1 Investments Limited. There has been no change in name of PAC 2 post incorporation.
- (d) The registered office of PAC 2 is located at IFS Court, Twenty Eight Cybercity, Ebene, Republic of Mauritius. (Tel.: +2304643044/3393, Fax: +2304681936, Email: info@hwicasia.com).
- (e) PAC 2 is a wholly owned subsidiary of HWIC Asia Fund, which is ultimately promoted and wholly owned by FFHL.
- (f) PAC 2 belongs to the Fairfax group.
- (g) PAC 2 does not hold any Equity Shares.
- (h) The shares of PAC 2 are not listed on any stock exchange.
- (i) PAC 2, its directors and/or its key employees do not have any interest in the Target Company.
- (j) PAC 2 and its promoters/persons in control have not been prohibited by SEBI, from dealing in securities, in terms of Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.
- (k) The brief standalone financial information of PAC 2, as derived from its audited standalone financial information as at and for the period ended March 31, 2015, are as under:

Particulars	Audited		Audited		Audited		Audited	
	Period from Mar 19, 2015 to Mar 31, 2015		Year ended Dec 31, 2014		Year ended Dec 31, 2013		Year ended Dec 31, 2012	
	USD	INR	USD	INR	USD	INR	USD	INR
Total Revenue	-	-	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Net Income/(Loss)	(8,141)	(506,728)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
EPS	(8,141)	(506,728)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Net Worth/ Shareholders' Funds	(8,140)	(509,411)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Notes:

- 1) The Company was incorporated on 19 March 2015. Accordingly, the Company's first financial statement would be for the period from 19 to 31 March 2015.
- 2) The Balance Sheet INR figures for the period ended 31 March 2015 have been translated using the spot rate on 31 March 2015, i.e. INR 62.58 to USD 1.
- 3) The Profit & Loss Statement INR figures for the period ended 31 March 2015 have been translated using the average rate for the period, i.e. INR 62.24 to USD 1.

4. Information about FIH Private Investments Ltd. (PAC 3)

- (a) PAC 3, FIH Private Investments Ltd., is a private company limited by shares, incorporated on November 12, 2014 under the laws of Republic of Mauritius, pursuant to the (Mauritius) Companies Act, 2001 and subsequent amendments and re-enactment thereto. PAC 3 holds a Category 1 Global Business License issued by the Financial Services Commission, Mauritius.
- (b) PAC 3 is engaged in making investments in India, in accordance with applicable law, and is registered with SEBI as a Foreign Portfolio Investor ("FPI") bearing registration number INMUFP041315. PAC 3 was set up as an investment holding company for making investments in securities listed on recognized stock exchanges in India and for making investments in debt securities subject to its investment criteria.
- (c) PAC 3 was incorporated as FIH Private Investments Ltd. There has been no change in name of PAC 3 post incorporation.
- (d) The registered office of PAC 3 is located at Level 1, Maeva Tower, Cybercity, Ebene, Mauritius (Tel.: +2304643040/3031, Fax: +2304681930, Email: info@fihmauritius.com).
- (e) The Acquirer holds 100% (One Hundred percent) of the total equity share capital of PAC 3. The Acquirer is a wholly owned subsidiary of FIHC and is a part of the Fairfax group.
- (f) PAC 3 belongs to the Fairfax group.
- (g) PAC 3 does not hold any Equity Shares.
- (h) PAC 3, its directors and/or its key employees do not have any interest in the Target Company.
- (i) The shares of PAC 3 are not listed on any stock exchange.
- (j) PAC 3 and its promoters/persons in control have not been prohibited by SEBI, from dealing in securities, in terms of Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.
- (k) The brief standalone financial information of PAC 3, as derived from its audited standalone financial statements as at and for the period from November 12, 2014 to December 31, 2014 and from its reviewed standalone financial information as at and for the quarter ended March 31, 2015, are as under:

(in ₹ million except EPS)

Particulars	Limited Review	Audited	Audited	Audited
	As at and for the quarter ended March 31, 2015	As at and for the Period from November 12, 2014 to December 31, 2014	Year ended December 31, 2013	Year ended December 31, 2012
Total Revenue	241.20	-	N.A.	N.A.
Net Income/(Loss)	219.17	(0.45)	N.A.	N.A.
EPS	10.96	(76.13)	N.A.	N.A.
Net Worth/ Shareholders' Funds	43,501.58	(0.08)	N.A.	N.A.

Note:

- 1) PAC 3 was incorporated on 12 November 2014. Accordingly, the first audited financial statements of PAC 3 was for period ended 31 December 2014.

5. Details of the Sellers

Not applicable as this Offer is with a view to acquire additional shares in the Target Company, in compliance with Regulation 3(1) of the SEBI (SAST) Regulations, as described in paragraph (I) (7) (Details of the Offer) below, and not as a result of any transaction which triggered the open offer obligations.

6. Information about IIFL Holdings Limited (the Target Company)

- (a) The Target Company, i.e. IIFL Holdings Limited, was incorporated in India on October 18, 1995 under the Companies Act, 1956. The Target Company was incorporated as "Proby Research and Services Private Limited". The name of the Target Company was changed from "India Infoline Limited" to "IIFL Holdings Limited" on February 08, 2014.
- (b) The registered office of the Target Company is situated at IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane - 400604 (Tel.: 022-42499000; Fax: 022-24954313; Email id: gajendra.thakur@indiainfoline.com; Website: www.indiainfoline.com). The CIN number of the Target Company is L74999MH1995PLC093797.
- (c) IIFL Holdings Limited is the holding company of the entire IIFL group, which is a leading financial services company in India. The group has a diversified business model that includes credit and finance, wealth management, financial product distribution, asset management, broking, capital market advisory and investment banking.
- (d) The Equity Shares of the Target Company are currently listed on BSE (Scrip Code: 532636) and NSE (Symbol: IIFL) (Source: BSE and NSE websites) and are currently not suspended from trading on BSE or NSE. The Equity Shares are traded on both BSE and NSE and are frequently traded on NSE in terms of Regulation 2(1)(g) of the Takeover Regulations. (Further details provided in Part IV below Offer Price).
- (e) The promoters of the Target Company as on the date of this DPS are Mr. Nirmal Bhanwarlal Jain, Mr. Venkatarama Rajamani, Ms. Madhu Jain, Ardent Impex Private Ltd., Orpheus Trading Pvt. Ltd and Ms. Aditi Athavankar.
- (f) The brief consolidated financial information of the Target Company, as derived from its audited consolidated financial statements as at and for the financial years ended March 31, 2015, 2014 and 2013 are as under:

(in ₹ Cr. except EPS)

Particulars	As at and for the financial year ended March 31, 2015	As at and for the financial year ended March 31, 2014	As at and for the financial year ended March 31, 2013
	Total Revenue	3,666.35	2,837.28
Net Income	447.32	278.07	272.19
EPS Basic	14.76	9.41	9.37
Diluted	14.36	9.14	9.22
Net Worth/Shareholders' Funds	2,557.68	2,151.84	1,958.67

7. Details of the Offer

- (a) FIH Mauritius Investments Limited, the Acquirer along with the PAC is making this Offer to all the equity shareholders of the Target Company, other than the Acquirer and PAC ("Equity Shareholders"), to acquire up to 8,31,28,852 (Eight Crore Thirty One Lakh Twenty Eight Thousand Eight Hundred and Fifty Two) Equity Shares of ₹ 2 (Rupees Two only), representing 26% (Twenty six percent) of the Emerging Voting Capital, assuming full acceptances to the Offer.
- (b) This Offer is being made at a price of ₹ 195 (Rupees One Hundred and Ninety Five only) (the "Offer Price") per fully paid up Equity Share of ₹ 2 (Rupees Two only) each of the Target Company, payable in cash in accordance with Regulation 9(1)(a) of the Takeover Regulations.
- (c) As of the date of this DPS, to the best of the knowledge of the Acquirer, except for the statutory approvals as specified in paragraph VI(1) hereto, there are no other statutory approvals required by the Acquirer to complete this Offer. However, in case any further statutory approvals are required by the Acquirer at a later date before the closure of the tendering period, this Offer shall be also be subject to such approvals and the Acquirer shall

make the necessary applications for such statutory approvals. The Acquirer and the PAC will have the right to not proceed with this Offer in accordance with Regulation 23 of the Takeover Regulations if any statutory approval, as may be required, is not granted.

(d) This Offer is not conditional on any minimum level of acceptance and is not a compelling offer in terms of Regulations 19 and 20 respectively of the Takeover Regulations.

(e) Non-resident Indians ("NRIs") and overseas corporate bodies ("OCBs"), being holders of the Equity Shares, must obtain all requisite approvals required to tender the Equity Shares held by them, in this Offer (including without limitation the approval from the RBI, since the Equity Shares validly tendered in this Offer will be acquired by a non-resident entity) and submit such approvals along with the documents required to accept this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FPI) had required any approvals (including from the RBI or the Foreign Investment Promotion Board ("FIPB") 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, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and PAC reserve the right to reject such Equity Shares tendered in this Offer.

- 8. In terms of Regulation 25(2) of Takeover Regulations, other than as stated in this DPS, as at the date of this DPS, the Acquirer and PAC do not currently have any intention to alienate, restructure, dispose off or otherwise encumber any assets of the Target Company or any of its subsidiaries in the succeeding 2 (Two) years from the completion of this Offer, except in the ordinary course of business and other than as already agreed, disclosed and/or publicly announced by the Target Company. The board of directors of the Target Company may, in the ordinary course of business, take decisions to alienate, restructure, dispose off or transfer of assets of the Target Company in accordance with applicable laws. The Acquirer and PAC undertake that they will not restructure, sell, lease, dispose off or otherwise encumber any substantial assets of the Target Company or any of its subsidiaries other than as stated above in the succeeding 2 (Two) years from the completion of this Offer, except with the prior approval of the shareholders of the Target Company through a special resolution, passed by way of postal ballot.
- 9. The Equity Shares to be acquired under this Offer must be free from all liens, charges and encumbrances and will be acquired together with all rights attached thereto, including all rights to dividend, bonus and rights offered declared thereto.

II. BACKGROUND TO THE OFFER

- 1. As on the date of the PA and this DPS, the Acquirer, PAC 2 and PAC 3 do not hold any Equity Shares and PAC 1 holds 2,79,10,000 (Two Crores Seventy Nine Lakhs and Ten Thousand only) Equity Shares in the Target Company constituting 8.97% (Eight Point Nine Seven percent) of the equity share capital of the Target Company and 8.73% (Eight point Seven Three percent) of the Emerging Voting Capital assuming full acceptances in the Offer. There is no acquisition of Equity Shares or control which has triggered this Offer. This Offer is with a view to acquire additional Equity Shares in the Target Company and is made in terms of Regulation 3(1) of the Takeover Regulations. The Acquirer and the PAC have not entered into and do not have any agreements with the Target Company or the promoters of the Target Company. This Offer does not involve any acquisition of control over the Target Company by the Acquirer and/or the PAC or any change in control of the Target Company. There will be no change in the promoters of the Target Company.
- 2. The Acquirer and PAC do not intend to appoint any additional directors on the board of directors of the Target Company or exercise any control or influence over the policy decisions or general management of the Target Company.
- 3. The purpose of the Offer is to acquire additional Equity Shares of the Target Company, in the ordinary course of business of the Acquirer and PAC 2, because the Acquirer and PAC 2 believe that there is great potential for growth of the Target Company. The Acquirer and PAC 2 believe that the Target Company has over the years demonstrated significant profitable growth under the able leadership of its founder promoter, Mr. Nirmal Jain, a first generation entrepreneur, and his management team. The Target Company has shown strong organic growth of assets with a strong, long-term history of profitable growth, which aligns with the Acquirer's strategy for investing in well-managed companies with high integrity and long-term track records in India.
- 4. The Offer Price is payable in cash in accordance with Regulation 9(1)(a) of the Takeover Regulations.

III. SHAREHOLDING AND ACQUISITION DETAILS

As of the date of this DPS, the Acquirer, PAC 2 and PAC 3 do not hold any Equity Shares of the Target Company and PAC 1 holds 2,79,10,000 (Two Crores Seventy Nine Lakhs and Ten Thousand only) Equity Shares constituting 8.97% (Eight Point Nine Seven) of the share capital of the Target Company and 8.73% (Eight point Seven Three percent) of the Emerging Voting Capital assuming full acceptances in the Offer. The proposed shareholding of the Acquirer and PAC in the Target Company and the details of the Equity Shares acquired shall be as follows:

Details	Acquirer and PAC 2		PAC 1		PAC 3	
	Number of Equity Shares	% of the share capital	Number of Equity Shares	% of the share capital	Number of Equity Shares	% of the share capital
Shareholding as on the PA date	Nil	Nil	2,79,10,000	8.97%	Nil	Nil
Shares acquired between the PA date and the DPS date	Nil	Nil	Nil	Nil	Nil	Nil
Post Offer Shareholding on diluted basis as on 10 th working day after closing of the tendering period	8,31,28,852 ¹	26% ¹	2,79,10,000	8.73%	Nil	Nil

¹The aggregate shareholding of the Acquirer and PAC 2, assuming full acceptances in the Offer, is expected to be 26% (Twenty Six percent) of the Emerging Voting Capital. PAC 1 and PAC 3 will not acquire any Equity Shares pursuant to the Offer.

Note: All percentage holdings shown above are with respect to the issued, subscribed and paid up equity share capital of the Target Company as on the date of this DPS. Please also refer to paragraph (I)(2)(h) of this DPS.

IV. OFFER PRICE

- 1. The Equity Shares of the Target Company are listed and traded on the BSE and the NSE. The total number of Equity Shares traded on BSE and NSE for a period of 12 (Twelve) calendar months preceding the calendar month in which the PA was made (July 1, 2014 to June 30, 2015, both days included) are as given below:

Stock Exchange	No. of Equity Shares traded	Total No. of Equity Shares of Target Company	Traded shares (as a % of Total Equity Shares)
NSE	4,72,09,961	31,05,33,948	15.20%
BSE	1,43,53,890	31,05,33,948	4.62%

Source: www.nseindia.com and www.bseindia.com

- 2. The Equity Shares of the Target Company are frequently traded, within the meaning of Regulation 2(1)(j) of the Takeover Regulations, on NSE, during the 12 (Twelve) months preceding the date on which the PA was made.
- 3. Since the Equity Shares of the Target Company have been frequently traded on NSE where the Equity Shares are listed, during the 12 (Twelve) calendar months preceding the month in which the PA has been issued, and since the maximum volume of trading is recorded at NSE during the preceding 60 (Sixty) trading days from the date of the PA, the Offer Price is justified, taking into account the following parameters, as set out under Regulation 8(2) of the Takeover Regulations:

A	The highest negotiated price per Equity Share (as per the share purchase agreement) attracting the obligation to make this Offer	N.A.
B	The volume weighted average price paid by the Acquirer during the fifty two weeks immediately preceding the date of the PA	N.A.
C	The highest price paid for any acquisition by the Acquirer in the twenty six weeks preceding the date of the PA	N.A.
D	The volume-weighted average market price of Equity Shares of the Target Company for a period of sixty trading days immediately preceding the date of the PA as traded on NSE, being the stock exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period, the shares being frequently traded	179.50
E	Where the shares are not frequently traded, the price determined by	

4. In case of any upward revision in the Offer Price or the Offer Size, the value in cash of the escrow amount shall be computed on the revised consideration calculated at such revised offer price or offer size and any additional amounts required will be funded via the Escrow Account by the Acquirer, prior to effecting such revision, in terms of Regulation 17(2) of the Takeover Regulations.
5. As per certificate dated July 14, 2015 from Kirit Sheth (Membership No. 37824), proprietor of M/s K. J. Sheth & Associates (Chartered Accountants), 2nd Floor, Seksaria Chambers, 139, N. M. Road, Fort, Mumbai - 400 001 (Tel. No. 022-22671618; E-mail ID: kirit.sheth@kjsa.org), the Acquirer and PAC have adequate liquid resources to meet the funds requirements/obligations under this Offer.
6. The Acquirer has authorized ICICI Securities Limited, Manager to the Offer, to realize the value of the Escrow Account in terms of the Takeover Regulations.
7. Based on the above, ICICI Securities Limited, Manager to the Offer, certify and confirm that firm arrangements for funds for payment through verifiable means are in place to fulfill the Offer obligations.

VI. STATUTORY AND OTHER APPROVALS

1. The acquisition of the Equity Shares of the Target Company under this Offer is subject to receipt of the following statutory/regulatory approvals:
- Approval of the Competition Commission of India ("CCI"), based on the application proposed to be filed by the Acquirer with the CCI.
 - Approval of the FIPB for direct and indirect foreign investments in the Target Company and its subsidiaries, to the extent required.
 - Approval from the RBI pursuant to the RBI Notification No. DNBS.(PD) 029/CGM(CDS)-2015 dated July 09, 2015 for change in (Indirect) shareholding of India Infoline Finance Limited, the subsidiary of the Target Company registered as a non-banking financial company, if required.
 - Approval from SEBI (Mutual Funds Division) in relation to India Infoline Asset Management Company Limited to the extent required under the SEBI (Mutual Fund) Regulations, 1996.
 - Approval from the BSE, NSE, Multi Commodity Exchange Limited and National Commodities and Derivatives Exchange Limited to the extent required.
2. Apart from the statutory approvals mentioned in VI(1) above, as of the date of this DPS, to the best knowledge of the Acquirer, there are no other statutory approvals, required by the Acquirer to complete this Offer. However, in case any other statutory approvals are required by the Acquirer at a later date before the closure of the tendering period, this Offer shall be subject to such approvals and the Acquirer shall make the necessary applications for such statutory approvals.
3. The Acquirer shall complete all procedures relating to this Offer within 10 (Ten) working days from the date of closure of the tendering period to those Equity Shareholders whose share certificates and/or other documents are found valid and in order and are accepted for acquisition by the Acquirer.
4. In case of delay/non-receipt of any approval, including any statutory approval which may be required by the Acquirer at a later date, SEBI may, if satisfied that non receipt of the requisite approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the Equity Shareholders as directed by SEBI, in terms of Regulation 18(11) of the Takeover Regulations.
5. The Acquirer will have the right not to proceed with this Offer in accordance with Regulation 23 of the Takeover Regulations, in the event the statutory approvals indicated at paragraph VI(1) above are not granted. In case of such event, the Acquirer shall have the right to withdraw this Offer in terms of Regulation 23 of the Takeover Regulations.

VII. TENTATIVE SCHEDULE OF ACTIVITY

Activity	Date
PA	Tuesday, July 14, 2015
DPS	Tuesday, July 21, 2015
Filing of the draft letter of offer with SEBI	Tuesday, July 28, 2015
Last date for a competitive bid	Tuesday, August 11, 2015
Last date for SEBI observations on draft letter of offer (in the event SEBI has not sought clarifications or additional information from the Manager to the Offer)	Wednesday, August 19, 2015
Identified Date*	Friday, August 21, 2015
Letter of Offer to be dispatched to shareholders	Friday, August 28, 2015
Last date for revising the Offer price/number of shares	Monday, August 31, 2015
Last Date by which the committee of the independent directors of the Target Company shall give its recommendation	Tuesday, September 1, 2015

Date of publication of Offer Opening Public Announcement	Thursday, September 3, 2015
Date of commencement of Tendering Period (Offer Opening Date)	Friday, September 4, 2015
Date of Expiry of Tendering Period (Offer Closing Date)	Friday, September 18, 2015
Last date of publication of post-offer advertisement	Monday, September 28, 2015
Last date of communicating rejection/acceptance and payment of consideration for applications accepted/return of unaccepted Share Certificates/credit of unaccepted Shares to demat account	Tuesday, October 6, 2015
Last date for submission of final report of SEBI	Tuesday, October 13, 2015

*The Identified Date is only for the purpose of determining the Equity Shareholders as on such date to whom the letter of offer ("**Letter of Offer**") would be mailed. It is clarified that all the equity shareholders of the Target Company (registered or unregistered) of the equity shares of the Target Company (except the Acquirer and PAC) are eligible to participate in this Offer at any time prior to the closure of this Offer.

VIII. ELIGIBILITY TO PARTICIPATE IN THE OFFER AND PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON RECEIPT OF LETTER OF OFFER

- Every Equity Shareholder of the Target Company, whether holding Equity Shares in dematerialised form or physical form, registered or unregistered, is eligible to participate in this Offer at any time during the tendering period of this Offer.
 - NRIs and OCBs, being holders of the Equity Shares, must obtain all requisite approvals required to tender the Equity Shares held by them, in this Offer (including without limitation the approval from the RBI, since the Equity Shares validly tendered in this Offer will be acquired by a non-resident entity) and submit such approvals along with the documents required to accept this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FPIs) had required any approvals (including from the RBI or the FIPB 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, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and PAC reserve the right to reject such Equity Shares tendered in this Offer.
 - A letter of offer ("**Letter of Offer**") specifying the detailed terms and conditions of this Offer along with the Form of Acceptance-cum-Acknowledgement ("**Form of Acceptance**") will be mailed to all the Equity Shareholders whose names appear on the register of members of the Target Company at the close of business hours on the Identified Date, being registered equity shareholders as per the records of National Securities Depository Ltd. ("NSDL") and Central Depository Services (India) Limited ("CDSL"), and registered shareholders holding Equity Shares of the Target Company in physical form as per the records of the Target Company, as on the Identified Date. Accidental omission to dispatch the Letter of Offer to any person to whom the Offer is made or the non-receipt or delayed receipt of the Letter of Offer by any such person will not invalidate the Offer in any way. The last date by which the individual Letter of Offer would be dispatched to each of the Equity Shareholders of the Target Company is August 28, 2015.
 - The Equity Shareholders who wish to tender their Equity Shares pursuant to this Offer will be required to communicate their acceptance in the form and manner specified in the Letter of Offer to Link Intime India Private Limited acting as the registrar to the offer ("**Registrar to the Offer**") in accordance with the instructions contained in the Letter of Offer and Form of Acceptance. Applicants who cannot hand deliver their documents at the collection centers, as will be mentioned in the Letter of Offer, may send such documents by registered post or by courier, at their own risk and cost, to the Registrar to the Offer at its address mentioned in paragraph X(3) below.
- (a) In respect of dematerialised equity shares of the Target Company, Equity Shareholders must ensure that the credit for the Equity Shares tendered is received in the special depository account as specified below on or before September 18, 2015. If the shareholders hold their Shares through CDSL, their depository participant instruction will have to take the form of an inter-depository delivery instruction to CDSL for the purpose of crediting their Equity Shares in favour of the special depository account with NSDL as mentioned below.

Depository Name	National Securities Depository Ltd. (NSDL)
Account Name	LIPL IIFL OPEN OFFER ESCROW DEMAT ACCOUNT
Depository Participant ("DP") Name	Ventura Securities Limited
DP ID Number	IN303116
Beneficiary Account Number	11726974
ISIN	INE530B01024
Market	Off Market
Date of Credit	On or before September 18, 2015

It is the sole responsibility of the Equity Shareholders to ensure credit of their Equity Shares in the depository account above, prior to the closure of the Offer.

- Equity Shareholders who are holding the Equity Shares in physical form and who wish to tender the Equity Shares in the Offer are required to submit the Form of Acceptance-cum-Acknowledgment together with the original share certificate(s), valid transfer deed(s), and such other documents as may be specified in the Letter of Offer and the Form of Acceptance, duly signed and addressed to the Registrar to the Offer, either by hand delivery on weekdays or by registered post, so as to reach the Registrar to the Offer on or before the closure of the tendering period, i.e., no later than September 18, 2015 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance.
- In case of non-receipt of the Letter of Offer, the eligible person(s), holding equity shares of the Target Company in physical form, may send his/her/their consent on plain paper stating the name, address, number of such equity shares held, distinctive numbers, certificate numbers and the number of such equity shares offered along with the share certificates, duly signed transfer forms and other required documents to the Registrar to the Offer before the closure of this Offer.
- In case of non receipt of the Letter of Offer, beneficial owners holding Equity Shares of the Target Company in dematerialized form, may send their applications in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of Equity Shares offered, DP name, DP ID, beneficiary account number and photocopy of the delivery instruction in "Off-market", or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favor of the special depository account, so as to reach the Registrar to the Offer on or before the closure of this Offer.
- Equity Shareholders may also (a) download the Letter of Offer from the SEBI website (<http://www.sebi.gov.in>) or (b) obtain a copy of Letter of Offer by writing to the Registrar to the Offer or Manager superscripting the envelope "IIFL Holdings - Open Offer" with (1) suitable documentary evidence of ownership of the Equity Shares of the Target Company and (2) their folio number, DP identity - client identity, current address and contact details.
- Pursuant to paragraph 3(c) of the SEBI circular on 'Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting' dated April 13, 2015, the Offer will follow the existing 'tender offer method' as prescribed by SEBI.

IX. THE DETAILED PROCEDURE FOR TENDERING THE EQUITY SHARES IN THIS OFFER WILL BE AVAILABLE IN THE LETTER OF OFFER.

X. OTHER INFORMATION

- The Acquirer and PAC and their respective directors, jointly and severally, accept full responsibility for the information contained in the PA and this DPS and for the obligations of the Acquirer and the PAC laid down in the Takeover Regulations. The information in relation to the Target Company in this DPS has been provided by the Target Company and is restricted to information available in the public domain. Neither the Acquirer nor the PAC have independently verified the information provided by the Target Company.
- The PA, this DPS and the Letter of Offer would also be available on the SEBI website: www.sebi.gov.in.
- Details of Manager to the Offer and Registrar to the Offer**

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 <p>ICICI SECURITIES LIMITED ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai - 400 020, India Tel: +91 22 2288 2460/2288 2470 Fax: +91 22 2282 6580 Email ID: iifl.openoffer@icicisecurities.com Contact Persons: Mr. Prem D'Cunha / Mr. Anurag Byas</p>	 <p>LINK INTIME INDIA PRIVATE LIMITED SEBI Regn. No.: INR000004058 C-13, Pannalal Silk Mills Compound, L.B.S Marg, Bhandup (West), Mumbai - 400 078, India Tel: +91 (022) 6171 5400; Fax: +91 (022) 2596 0329 E-mail ID: iifl.offer@linkintime.co.in Contact Person: Mr. Ganesh Mahtre</p>

ISSUED BY THE MANAGER TO THE OFFER

ICICI SECURITIES LIMITED

SEBI Regn. No.: INM000011179

For and on behalf of the Acquirer and PAC

Place : Mumbai
Date : July 21, 2015

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