IIFL SAMASTA FINANCE LIMITED

Public Issue of Secured, Rated, Listed, Redeemable NCDs

Tranche II Issue Opens	Monday, 3rd June, 2024
Tranche II Issue Closes	Friday, 14th June, 2024*

Issuer Overview:

- IIFL Samasta Finance Limited is a systematically important Non-Banking Finance (non - deposit accepting or holding) Company - micro Finance Institution (NBFC MFI) in India that offers innovative and affordable financial products to women who are enrolled as members and organized as Joint Liability Group ("JLG") from unbanked sections in society including encompassing cultivators, agricultural laborers, vegetable and flower vendors, cloth traders, tailors, craftsmen, as well as household and industrial workers across rural, semi urban and urban areas in India.
- The Company is a wholly owned subsidiary of IIFL Finance Limited.
- The Company offers wide range of loans tailored for underserved individuals who lack access to traditional banking services and includes income generation loans ("IGL") (to establish a new enterprise or expand an existing business), top-up loans, loan against property, micro enterprise loan, Lifestyle and Family Welfare loans such as dairy cattle loan, sanitation and hygiene, acquisition of daily-use items like cook stoves, water purifiers, solar lights, mobile phones, and other products enhancing their way of life. Going beyond its financial services, the Company also provides non-financial services, including life and hospicash insurance, along with financial counselling, ensuring comprehensive support for its valued customers.

Widespread Network

As of March 31, 2024, the Company have presence in 1,648 branches in the 21 states and one union territory in India through 16,519 employees *(including trainees)*.

Strong Growth

As at March 31, 2024 the Assets Under Management were Rs. 14,211.28 Crores whereas as at March 31, 2023 and March 31, 2022, Assets Under Management were Rs. 10,552.12 Crores and Rs. 6,483.84 Crores respectively. The Company has GNPA of 1.91% and NNPA of 0.33 % as a percentage of our Loan Book as on March 31, 2024.

Lead Managers to the Issue:

- Trust Investment Advisors Private Limited
- Nuvama Wealth Management Limited
- IIFL Securities Limited*

**IIFL Securities Limited is deemed to be an associate of the Issuer as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended (Merchant Bankers Regulations). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, IIFL Securities Limited would be involved only in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.*

Terms and Conditions in connection with the Secured NCDs:

Issuer	IIFL Samasta Finance Limited
Tranche II Issue Opens	Monday, 3rd June, 2024
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Registrar	Link Intime India Private Limited
Debenture Trustee	Beacon Trusteeship Limited
Allotment	First come first basis up to the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of NCDs to the Applicants on the date of oversubscription and thereafter
Issue Price	Rs. 1,000 per NCD
Face Value	Rs. 1,000 per NCD
Minimum Application	Rs. 10,000/- (10 NCD) and in multiple of Rs. 1,000 (1 NCD) thereafter
Base Issue	Rs. 200 Crores
Option to Retain Oversubscription Amount	Rs. 800 Crores
Tranche II Issue Size	Rs. 1,000 Crores
Nature of the instrument	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures
Credit Ratings	"CRISIL AA-/Watch Developing" by CRISIL Ratings Limited and "Acuite AA|Rating Watch Negative Implication" by Acuite Ratings and Research Limited
Issuance mode of the instrument	In dematerialised form only
Listing On	BSE Limited and National Stock Exchange of India Limited
Depositories	CDSL and NSDL
Trading mode of the instrument	Compulsorily in dematerialised form

Specific terms for each of the Secured NCDs:

Series	I	II	III[#]	IV	V	VI
Frequency of Interest Payment	Monthly	Annual	Monthly	Annual	Monthly	Annual
Minimum Application	₹ 10,000 (10 NCDs) across all series					
In Multiples of thereafter	₹ 1,000 (1 NCD)					
Face Value/ Issue Price of NCDs (₹/ NCD)	₹ 1,000					
Tenor	24 Months	24 Months	36 Months	36 Months	60 Months	60 Months
Coupon (% per annum) for NCD Holders in all Categories	9.20%	9.60%	9.57%	10.00%	10.03%	10.50%
Effective Yield (% per annum) for NCD Holders in al Categories	9.60%	9.60%	10.00%	10.00%	10.50%	10.49%
Mode of Interest Payment	Through various modes available					
Redemption Amount (₹ / NCD) on Maturity for NCD Holders in all Categories	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000
Maturity/Redemption Date (from the Deemed Date of Allotment)	24 Months	24 Months	36 Months	36 Months	60 Months	60 Months
Put and Call Option	Not Applicable					

[#]The Company shall allocate and allot Series III NCDs (III option) wherein the Applicants have not indicated the choice of the relevant NCD Series

- *With respect to Series I, III and V, where interest is to be paid on a monthly basis, relevant interest will be paid on the first date of every month on the face value of the NCDs. For the first interest payment for NCDs under the monthly series, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the first day of the month next to that subsequent month. The last interest payment under monthly Series will be made at the time of redemption of NCDs.*
- *With respect to Series II, IV and VI, where interest is to be paid on annual basis, relevant interest will be paid on each anniversary of the Deemed Date of Allotment on the face value of the NCDs. The last interest payment under Annual Series will be made at the time of redemption of NCDs.*
- *Please see **"Annexure D"** on page 321 of the Tranche II prospectus, for details pertaining to the cash flows of the Company in accordance with the SEBI Master Circular.*
- *Subject to applicable tax deducted at source. For further details, please see the section entitled "Statement of Possible Tax Benefits" on page 73 of the Tranche II prospectus.*
- *Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Tranche II Issue. For further details, see "Issue Procedure" and "Terms of the Issue" on page 279 and page 260 respectively, of the Tranche II prospectus.*

Investment Considerations:

- **Effective Yield** – 10.50% p.a. highest yield for annual series with tenor of 60 months
- **Tenor and Frequency** - Tenors of 24, 36 and 60 months available with the interest payment options like monthly and annual.
- **Listing**
  - Proposed to be listed on BSE and NSE. (NSE shall be the Designated Stock Exchange)
  - Trading will be in dematerialized form only
- **Taxation** - *Subject to applicable tax deducted at source, if any*
- **Credit Ratings** - Instrument rated CRISIL AA-/Watch Developing by CRISIL Ratings Limited and Acuite AA | Rating Watch Negative Implication by Acuite Ratings and Research Limited indicates that instruments with this rating have high degree of safety regarding timely servicing of financial obligations and carry very low credit risk. However, the Rating Watch reflects an emerging situation, which may affect the credit profile of the related entity
- According to the SEBI Master Circular allotment in the public issue of debt securities will be made on the basis of date of upload of each application into the electronic book of stock exchange. However, on the date of oversubscription and thereafter, the allotment will be made to the applicants on proportionate basis. For

further details refer to section titled “Issue Related Information” on page no 250 of the Tranche II Prospectus dated May 24, 2024.

Allocation to category of the overall issue size:

Category	Investor type	Allocation
Category I	Institutional Portion	10% of the Tranche II Issue Size
Category II	Non-Institutional Portion	30% of the Tranche II Issue Size
Category III	High Net Worth Individual Investors Portion	30% of the Tranche II Issue Size
Category IV	Retail Individual Investors Portion	30% of the Tranche II Issue Size

Application in the Tranche II Issue:

Applicants shall apply in this Tranche II Issue in dematerialized form only, through valid Application Form filled in by the Applicant along with attachment, as applicable. Further, applications shall be made through UPI (for applications up to Rs. 5 lakhs) and ASBA facility only. For further details refer to the chapter titled “*Issue Procedure – How to apply*?” on Page 282 of the *Tranche II Prospectus dated May 24, 2024 available on Company, Lead Managers and Stock Exchanges website.*

Investor Category:

Category I (Institutional Investors)

- Resident public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds and pension funds each with a minimum corpus of ₹ 250 million, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;
- Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
- Resident Venture Capital Funds registered with SEBI;
- Insurance companies registered with the IRDAI;
- State industrial development corporations;
- Insurance funds set up and managed by the army, navy, or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, the Union of India;
- Systemically Important Non-Banking Financial Companies;
- National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and
- Mutual funds registered with SEBI.

Category II (Non Institutional Investors)

- Companies within the meaning of Section 2(20) of the Companies Act, 2013;
- Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- Co-operative banks and regional rural banks;
- Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs;
- Educational institutions and associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment: which are authorised to invest in the NCDs;
- Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;
- Partnership firms in the name of the partners; and
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act,

2008 (No. 6 of 2009).
- Association of Persons; and
- Any other incorporated and/or unincorporated body of persons.

Category III (High Net Worth Individual Investors)

- Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 10,00,000 across all options of NCDs in the Tranche II Issue.

Category IV (Retail Individual Investors or Retail Individual Bidder(s) or RIB(s) applying through UPI)

- Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹10,00,000 across all Options/ Series of NCDs in the Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than ₹5,00,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism.

  For further details, refer Shelf Prospectus dated November 23, 2023 along with the Addendum to the Shelf Prospectus dated May 15, 2024 and Tranche II Prospectus dated May 24, 2024 available on Company, Lead Managers and Stock Exchanges website.

** The Tranche II Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period as indicated in this Tranche II Prospectus. Our Company may, in consultation with the Lead Managers, consider closing the Tranche II Issue on such earlier date or extended date (subject to a minimum period of three working days and a maximum period of 10 working days from the date of opening of the Tranche II Issue and subject to not exceeding thirty days from filing the Tranche II Prospectus with ROC including any extensions), as may be decided by the Board of Directors of our Company or Issuance and Allotment Committee, subject to relevant approvals, in accordance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of the Tranche II Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Tranche II Issue has been given on or before such earlier or initial date of Tranche II Issue closure. On the Tranche II Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time). on one Working Day post the Tranche II Issue Closing Date. For further details please refer to the section titled "General Information" on page 48 of the Tranche II Prospectus.*

All capitalized terms used shall, unless the context otherwise requires, have the meaning ascribed to them in the Shelf Prospectus dated November 23, 2023 Tranche II Prospectus dated May 24, 2024

DISCLAIMER:

IIFL Samasta Finance Limited ("**Company**"), subject to market conditions, and other considerations, is proposing a public issue of secured redeemable non-convertible debentures ("NCDs") and has filed Tranche II prospectus dated May 24, 2024 (" **Tranche II Prospectus**") which should be read together with the Shelf Prospectus dated November 23, 2023, read with addendum to the Shelf Prospectus dated May 15, 2024 (the "**Shelf Prospectus**") (together with the Tranche II Prospectus, the "**Prospectus**") with the Registrar of Companies, Karnataka at Bengaluru ("**RoC**"), BSE Limited ("**BSE**"), National Stock Exchange of India Limited ("**NSE**") ("**NSE**" along with "**BSE**", the "**Stock Exchanges**") and Securities and Exchange Board of India ("**SEBI**"). The Tranche II Prospectus is available on the website of the Company at www.iiflsamasta.com, on the website of BSE at www.bseindia.com, on the website of NSE at www.nseindia.com, on the website of the lead managers at www.nuvama.com, www.trustgroup.in and www.iiflcap.com and on the website of SEBI at www.sebi.gov.in. Investors proposing to participate in the Issue should invest only on the basis of the information contained in the Prospectus. Investors should note that investment in the NCDs involves a high degree of risk and for details in relation to the same, refer to the Prospectus, including the section titled "Risk Factors" and "Material Developments" beginning on page 18 and 154 respectively of the Tranche II Prospectus. Capitalised terms not defined herein shall have the same meaning as assigned to such terms in the Prospectus.

DISCLAIMER CLAUSE OF BSE LIMITED

It is to be distinctly understood that the permission given by BSE Limited should not in anyway be deemed or construed that the Prospectus has been cleared or approved by BSE Limited nor does it certify the correctness or completeness of any of the contents of the Prospectus. The investors are advised to refer to the Prospectus for the full text of the Disclaimer Clause of the BSE Limited.

DISCLAIMER CLAUSE OF NSE

It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Prospectus has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Prospectus. The investors are advised to refer to the Prospectus for the full text of the Disclaimer clause of NSE.

DISCLAIMER CLAUSE OF USE OF BSE ELECTRONIC PLATFORM

It is to be distinctly understood that the permission given by BSE Limited to use their network and software of the Online system should not in any way be deemed or construed as compliance with various statutory requirements approved by BSE Limited; not does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements; nor does it take any responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project of the Company. It is also to be distinctly understood that the approval given by BSE Limited is only to use the software for participating in system of making application process.

DISCLAIMER CLAUSE FOR USE OF NSE ELECTRONIC PLATFORM

It is to be distinctly understood that the approval given by NSE is only to use the software for participating in system of making application process. It is to be distinctly understood that the permission given by NSE to use their network and online platform for facilitating applications for public issue of NCDs shall not in any way be deemed or construed as compliance with various statutory requirements and other requirements by the Company, LM etc.; are cleared or approved by NSE; not does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements; nor does it take any responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project of the Company.

DISCLAIMER CLAUSE OF RBI:

The Company is having a valid certificate of registration dated September 20, 2021 issued by the Reserve Bank of India under section 45 IA of the Reserve Bank of India Act, 1934. A copy of the Shelf Prospectus and the Tranche II Prospectus has not been filed with or submitted to the Reserve Bank of India ("RBI"). It is distinctly understood that the Shelf Prospectus and Tranche I Prospectus should not in any way be deemed or construed to be approved or vetted by RBI. RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the issuer or for the correctness of any of the statements or representations made or opinions expressed by the issuer and for discharge of liability by the issuer. RBI neither accepts any responsibility nor guarantee for the payment of any amount due to any investor in respect of the Proposed NCDs.

DISCLAIMER CLAUSE OF CRISIL

CRISIL Ratings Limited (CRISIL Ratings) has taken due care and caution in preparing the Material based on the information provided by its client and / or obtained by CRISIL Ratings from sources which it considers reliable (Information). A rating by CRISIL Ratings reflects its current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL Ratings. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. The Rating is not a recommendation to invest / disinvest in any entity covered in the Material and no part of the Material should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL Ratings especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of the Material. Without limiting the generality of the foregoing, nothing in the Material is to be construed as CRISIL Ratings providing or intending to provide any services in jurisdictions where CRISIL Ratings does not have the necessary permission and/or registration to carry out its business activities in this regard. IIFL Samasta Finance Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Material or part thereof outside India.

DISCLAIMER STATEMENT OF ACUITE RATINGS & RESEARCH LIMITED

An Acuite rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuite ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuite, in particular makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuite is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever

for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuite ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant.