
 AMBIT Acumen at work	 MOTILAL OSWAL INVESTMENT BANKING
Ambit Private Limited Ambit House, 449, Senapati Bapat Marg, Lower Parel, Mumbai 400013, Maharashtra, India Tel: +91 22 6623 3030 Email: iiflfinance.rights@ambit.co Website: www.ambit.co Investor Grievance E-mail: customerservicemb@ambit.co SEBI Registration No: INM000010585 CIN: U65923MH1997PTC109992	Motilal Oswal Investment Advisors Limited Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025, Maharashtra, India Tel: +91 22 7193 4380 E-mail: iiflfinance.rights@motilaloswal.com Investor Grievance E-mail: moiaplredressal@motilaloswal.com Website: www.motilaloswalgroup.com SEBI registration no.: INM000011005 CIN: U67190MH2006PLC160583

ANNEXURE II

DUE DILIGENCE CERTIFICATE

April 18, 2024


Securities and Exchange Board of India
Corporation Finance Department
 Division of Issues and Listing
 SEBI Bhavan, Plot No. C4 A, 'G' Block
 Bandra Kurla Complex, Bandra (East)
 Mumbai 400 051, India

Re: Issue of up to 4,23,94,270 equity shares of IIFL Finance Limited (the "Company") of face value of ₹ 2 each ("Rights Equity Shares") aggregating up to ₹ 1,271.83 crore to the eligible equity shareholders of the Company ("Eligible Equity Shareholders") for cash at a price of ₹ 300 per Rights Equity Share (including a premium of ₹ 298 per Rights Equity Share) on a rights basis in the ratio of 1 Rights Equity Share for every 9 Equity Shares held by the Eligible Equity Shareholders on the record date, that is, on April 23, 2024 ("Record Date", and such issue, the "Issue") in accordance with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018, as amended ("SEBI ICDR Regulations")



Dear Sir/ Madam

We, Ambit Private Limited and Motilal Oswal Investment Advisors Limited as the lead managers to the Issue (the "**Lead Managers**") confirm that:

1. We have examined various documents including those relating to litigation, including commercial disputes, patent disputes, disputes with collaborators, etc. and other material while finalising the letter of offer dated April 17, 2024 ("**Letter of Offer**") pertaining to the Issue. **Complied with to the extent applicable.**
2. On the basis of such examination and discussions with the Company, its directors and other officers, other agencies, and independent verification of the statements concerning the objects of the issue, price justification, contents of the documents and other papers furnished by the Company, we confirm that:
 - (a) the Letter of Offer filed with the Securities and Exchange Board of India ("**SEBI**") is in conformity with the documents, materials and papers which are material to the Issue;
 - (b) all material legal requirements relating to the Issue as specified by the SEBI, the Central Government and any other competent authority in this behalf have been duly complied with; and
 - (c) the material disclosures made in the Letter of Offer are true and adequate to enable the investors to make a well informed decision as to the investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 2013, the SEBI ICDR Regulations and other applicable legal requirements.
3. Besides ourselves, all intermediaries named in the Letter of Offer are registered with the SEBI and that until date such registration is valid. **Complied with**
4. We have satisfied ourselves about the capability of the underwriters to fulfil their underwriting commitments. **Not Applicable**

	
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5. Written consent from the promoters has been obtained for inclusion of their specified securities proposed to form part of promoters' contribution subject to lock-in and the Equity Shares proposed to form part of the promoters' contribution subject to lock-in shall not be disposed or sold or transferred by the promoters during the period starting from the date of filing the Letter of Offer with SEBI until the date of commencement of lock-in period as stated in the Letter of Offer. **Not Applicable**
6. All applicable provisions of SEBI ICDR Regulations, which relate to specified securities ineligible for computation of promoters' contribution, have been and shall be duly complied with and appropriate disclosures as to compliance with the said regulation(s) have been made in the Letter of Offer. **Not Applicable**
7. All applicable provisions of the SEBI ICDR Regulations which relate to receipt of promoters' contribution prior to opening of the Issue, shall be complied with. Arrangements have been made to ensure that the promoters' contribution shall be received at least one day before the opening of the Issue and the statutory auditors' certificate to this effect shall be duly submitted to SEBI. We further confirm that arrangements have been made to ensure that the promoters' contribution shall be kept in an escrow account with a scheduled commercial bank and shall be released to the Company along with the proceeds of the Issue. **Not Applicable**
8. Necessary arrangements have been made to ensure that the monies received pursuant to the Issue are credited or transferred to a separate bank account as per the provisions of sub-section (3) of section 40 of the Companies Act, 2013 and that such monies shall be released by the said bank only after permission is obtained from all the Stock Exchanges, and that the agreement entered into between the Banker to the Issue and the Company specifically contains this condition. **Noted for compliance to the extent applicable**
9. The existing business as well as any new business of the Company for which the funds are being raised fall within the 'main objects' in the object clause of the Memorandum of Association ("MoA") of the Company and that the activities which have been carried in the last ten years are valid in terms of the object clause of the MoA. **Complied with to the extent applicable**
10. Following disclosures have been made in the Letter of Offer:
 - (a) An undertaking from the Company that at any given time, there shall be only one denomination for the Equity Shares of the Company, excluding superior equity shares, where an issuer has outstanding superior equity shares. **Complied with to the extent applicable (the Company has not issued any superior rights equity shares);** and
 - (b) An undertaking from the Company that it shall comply with all disclosure and accounting norms specified by the SEBI. **Complied with**
11. We shall comply with the regulations pertaining to advertisements in terms of the SEBI ICDR Regulations. **Noted for compliance**
12. If applicable, the entity is eligible to list on the innovators growth platform in terms of the provisions of Chapter X of SEBI ICDR Regulations. **Not Applicable**
13. None of the intermediaries named in the Letter of Offer have been debarred from functioning by any regulatory authority. **Complied with**
14. The Company is eligible to make a fast track issue in terms of Regulation 99 of the SEBI ICDR Regulations. The fulfilment of the eligibility criteria as specified in that regulation by the Company has also been disclosed in the Letter of Offer. **Complied with.**

	
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15. The abridged letter of offer contains all disclosures as specified in the SEBI ICDR Regulations. **Complied with**
16. All material disclosures in respect of the Company have been made in the Letter of Offer and we certify that any material development in the Company or relating to the Issue up to the commencement of listing and trading of the Equity Shares offered through the Issue shall be informed through public notices / advertisements in all those newspapers in which pre-Issue advertisement and advertisement for opening or closure of the Issue have been given. **Complied with and noted for compliance**
17. Agreements have been entered into with the depositories for dematerialisation of the Equity Shares of the Company. **Complied with**



We enclose a note under **Schedule A** explaining the process of due diligence that has been exercised by us including in relation to the business of the Company, the risks in relation to the business, the experience of the promoters and that the related party transactions entered into for the period for which accounts are disclosed in the Letter of Offer have been entered into by the Company in accordance with applicable laws.

We enclose a checklist under **Schedule B** confirming regulation-wise compliance with the applicable provisions of SEBI ICDR Regulations, containing details such as the regulation number, its text, the status of compliance, page number of the Letter of Offer where the regulation has been complied with and our comments, if any.

All capitalized terms used herein and not specifically defined shall have the same meanings ascribed to such terms in the Letter of Offer.

Sincerely,

Enclosed.: Schedules as above

	
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This signature page forms an integral part of the letter to the Securities and Exchange Board of India, in relation to the proposed rights issue of equity shares by IIFL Finance Limited.

For and on behalf of Ambit Private Limited




Authorised Signatory

Name: Nikhil Bhiwapurkar
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For and on behalf of Motilal Oswal Investment Advisors Limited



Authorised Signatory

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