

IndoStar Capital Finance Limited

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Joint Public Notice

This notice is being issued jointly by IndoStar Capital Finance Limited (the "Company"), BCP V Multiple Holdings Pte Ltd. (the "Acquirer") and Indostar Capital (the "Seller"/ "ICM"), pursuant to Paragraph 69 of the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 bearing reference no. Master Direction DNBR.PD.008/03.10.119/2016-17, issued by the Reserve Bank of India ("RBI") and amended and updated as of February 17, 2020 ("RBI Directions").

Background

The Company is a non-deposit taking systemically important non-banking financial company ("NBFC-ND-SI"), registered with the RBI in terms of the certificate of registration dated January 20, 2016 bearing reference number N-13.02109, and having its registered office at One Indiabulls Center, 20th Floor, Tower 2A, Jupiter Mills Compound, Senapati Bapat Marg, Mumbai 400 013.

The Acquirer is a company incorporated on November 27, 2018 under the laws of Singapore with registration number 201840080G and having its registered office at Income at Raffles 16 Collyer, Quay 19-00, Singapore, 049318. The Acquirer is an affiliate of certain private equity funds managed by Brookfield Asset Management, Inc.

The Seller is a promoter shareholder of the Company, and as on date, holds 5,25,94,228 equity shares of the Company of face value of INR 10 each ("Equity Shares"), which represents 56.89% of the paid-up share capital of the Company.

Proposed Transaction and Reason for Proposed Transaction

The Acquirer seeks to acquire a stake of 40% (forty percent) of the paid-up share capital of the Company on a fully diluted basis, subject to the actual tendering of Equity Shares by the public shareholders of the Company in the mandatory open offer made by the Acquirer pursuant to the public announcement dated January 31, 2020 ("Tender Offer") in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, through a combination of:

- preferential issue by the Company, for cash consideration aggregating to approximately INR 1,225,00,00,000, of the following securities to the Acquirer: (i) 3,01,72,414 Equity Shares, at a price of INR 290 per Equity Share; and (ii) 1,20,68,966 compulsorily convertible preference shares of face value of INR 10 each ("Preference Shares"), at a price of INR 290 per Preference Share, wherein each Preference Share will carry a dividend of 10% per annum (calculated on issue price) net of any taxes and shall be convertible into 1 Equity Share within 18 months from the date of issuance;
- acquisition of up to 3,71,95,411 Equity Shares of the Company by the Acquirer from the public shareholders of the Company pursuant to the Tender Offer; and
- purchase from ICM (in one or two tranches) of (i) 50,00,000 Equity Shares held by ICM; and (ii) such additional number of Equity Shares held by ICM (up to a maximum of 30,00,000 Equity Shares) that, together with the securities acquired by the Acquirer under (a), (b) and c(i) above, represent 40% (forty percent) of the paid-up share capital of the Company on a fully diluted basis;

(together referred to as the "Proposed Transaction").

Upon consummation of the Proposed Transaction, the Acquirer shall acquire control of the Company and shall also be classified as a 'promoter' of the Company in accordance with applicable law. The Seller will continue to be in control and classified as a promoter of the Company.

The Proposed Transaction will enable the Company to leverage the Acquirer's expertise in the financial services domain globally to facilitate the raising of external finance, introduce operational improvements and continue to scale the business. The Proposed Transaction will further support the continued growth of the Company's retail business and the Acquirer's ownership brings with it global reputation and global best practices in terms of corporate governance.

RBI Approval

The Company has sought prior approval from RBI under Paragraph 66 of the RBI Directions in relation to the Proposed Transaction for (i) the proposed acquisition of control of the Company by the Acquirer; (ii) the proposed acquisition by the Acquirer of about 40% (forty percent) of the paid-up share capital of the Company, subject to the actual tendering in the mandatory open offer, on a fully diluted basis, as mentioned above; and (iii) consequential changes in the management of the Company including by way of appointment of two directors nominated by the Acquirer on the board of directors of the Company. The Proposed Transaction will be effected after fulfilment of various conditions including receipt of the statutory and regulatory approvals (including the approval from RBI) and the expiry of 30 (thirty) days from the date of publication of this notice in accordance with Paragraph 69 of the RBI Directions.

RBI, vide e-mail dated April 21, 2020, has permitted the issuance of this notice prior to the receipt of the approval from RBI. This notice is issued pending the approval from RBI in relation to the above and is intended to provide to the public a notice of the proposed change in control of the Company, change in its shareholding and consequent change in its management, as a result of the Proposed Transaction.

Any clarifications and/or objections in this regard may be sent to the Company within 30 (thirty) days from the date of this notice, addressed to Mr. Jitendra Bhati, SVP – Compliance & Secretarial, at the registered office address of the Company or email at: icf.legal@indostarcapital.com

A copy of this notice is also available on the Company's website at www.indostarcapital.com.

SD/-

IndoStar Capital Finance Limited

SD/-

BCP V Multiple Holdings Pte Ltd.

SD/-

Indostar Capital

Place : Mumbai

Date : April 22, 2020

AD NO-1 (NBFC)
Size - 8cm(W) x 24cm(H)