

June 04, 2022

BSE Limited
Listing Department,
P.J. Tower, Dalal Street, Fort,
Mumbai-400 001.
BSE Scrip Code: 530023

National Stock Exchange of India Limited
Listing Department,
Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla
Complex, Bandra (E), Mumbai – 400051.
NSE Symbol: THEINVEST

Dear Sir/Madam,

Subject: Disclosure under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("SEBI Listing Regulations") by The Investment Trust of India Limited

In compliance with Regulation 30 read with Schedule III of the SEBI Listing Regulations, this is to inform you that on the recommendation of the Audit Committee of the Board and the Independent Directors of the Company, the Board of Directors of The Investment Trust of India Limited ("**Board**") at its meeting held today i.e. Saturday, June 04, 2022, has considered and approved the draft scheme of arrangement in the nature of demerger of '**Non-lending Business Undertaking**' of The Investment Trust of India Limited ("**TITIL**" or "**Demerged Company**") into **Distress Asset Specialist Limited**, a wholly owned subsidiary company of TITIL ("**DASL**" or "**Resulting Company**") with effect from the Appointed Date viz. beginning of day on April 1, 2022 ("**Scheme**") under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ("**Act**").

In consideration for the demerger of Non-lending Business Undertaking of TITIL into DASL in terms of the Scheme and based on the Share Entitlement Ratio Report issued by CA Mayur Popat, a Registered Valuer and Fairness Opinion provided by Khambatta Securities Limited, a Category I SEBI Registered Merchant Banker, DASL shall issue 4 (Four) fully paid-up Equity Share of INR 10/- (Rupee Ten Only) each for every 1 (One) fully paid-up Equity Share of INR 10/- (Rupee Ten Only) held by each shareholder of TITIL as on the Record Date, on a proportionate basis.

On and from the Effective Date, and with effect from the Appointed Date, the existing issued, subscribed, and paid-up equity share capital of DASL held by TITIL as on the Appointed Date, shall be reduced/ cancelled.

The Scheme is subject to the necessary statutory and regulatory approvals of (i) the shareholders and creditors of both of the Companies and other parties to the Scheme, as may be directed by the Hon'ble National Company Law Tribunal ("**NCLT**"), (ii) BSE Limited ("**BSE**"), National Stock Exchange of India Limited ("**NSE**") and Securities and Exchange Board of India Limited ("**SEBI**") and (iii) any other contractual and regulatory approvals, permissions, consents, sanctions, exemption as may be required under applicable laws, regulations, guidelines in relation to the Scheme and as set out in the Scheme.

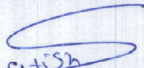
The details/disclosures required under Regulation 30 of the SEBI Listing Regulations, read with Schedule III thereto and the SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 ("**SEBI Circular**"), are provided in the enclosed **Annexure A**.

We request you to take the above on record and disseminate the information to members and general public. Further, the same be treated as compliance under the applicable provisions of the SEBI Listing Regulations and SEBI Circular.

Thanking you.

Yours sincerely,

For, The Investment Trust of India Limited


Satish Bhanushali
Company Secretary and Compliance Officer
ICSI Membership No.: A 40731



Encl.: As above.

Annexure A

Required disclosures/details pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015

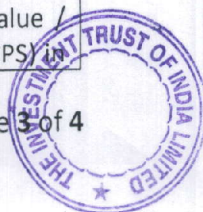
| Sr. No. | Particulars | | | | |
|-------------------------|---|-------------------------|--|-----------|--------|
| 1. | BRIEF DETAILS OF THE DIVISION(S) TO BE DEMERGED | | | | |
| | Non-Lending Business Undertaking (as defined in the Scheme and as also referred at Sr. No. 3 below) of The Investment Trust of India Limited (Demerged Company) is proposed to be transferred / demerged including all assets, properties, liabilities, permits, licenses, registrations, approvals, contracts, and employees, in relation to and pertaining to such business undertaking into Distress Asset Specialist Limited (Resulting Company), a wholly owned subsidiary company of the Demerged Company. | | | | |
| 2. | TURNOVER OF THE DEMERGED DIVISION AND AS PERCENTAGE TO THE TOTAL TURNOVER OF THE LISTED ENTITY IN THE IMMEDIATELY PRECEDING FINANCIAL YEAR / BASED ON FINANCIALS OF LAST FINANCIAL YEAR | | | | |
| | <table> <tr> <th>Turnover (INR in Lakhs)</th><th>% of total turnover of The Investment Trust of India Limited</th></tr> <tr> <td>10,998.48</td><td>95.63%</td></tr> </table> <p><i>Note: Revenue from Operations as per audited standalone financial statements has been considered as Turnover.</i></p> | Turnover (INR in Lakhs) | % of total turnover of The Investment Trust of India Limited | 10,998.48 | 95.63% |
| Turnover (INR in Lakhs) | % of total turnover of The Investment Trust of India Limited | | | | |
| 10,998.48 | 95.63% | | | | |
| 3. | RATIONALE FOR DEMERGER | | | | |
| 1.1 | Incorporated in the year 1991, the Investment Trust of India Limited (Demerged Company), is one of the largest financial services conglomerates offering a range of financial products and services from Lending, Equities and Derivatives trading, Equity Research, Commodities Trading, Portfolio Management Services, Distribution of Mutual Funds, IPO & Insurance products and Investment Banking Services. The Demerged Company has come a long way and evolved from a fledgling start-up to India's leading partner in finance. | | | | |
| 1.2 | The Demerged Company is the flagship company of the group catering to each of these business segments directly or indirectly through dedicated entities formed for carrying on specific businesses, more so given that most of these businesses are regulated by sectoral regulators and requires certain specific financial, operational or other parameters to be complied with. These various businesses can be grouped under two broad segments namely (i) lending business activities – which involves providing of loans or financial facilities to the customers, primarily comprising of businesses undertaken through non-banking finance companies (NBFC) and (ii) non-lending business activities – which involves providing various financial services and products including securities and commodities broking, fund management services (viz. mutual fund asset management services, portfolio management services, sponsor and investment managers for alternate investment funds etc.), merchant banking services and distribution of various financial products and services. | | | | |
| 1.3 | Historically, the Demerged Company has grown organically and inorganically by acquiring various businesses over the years. The requirements of each of these business segments viz. lending business activities and non-lending business activities, are distinct when compared with each other, including in terms of capital, operations, resources, knowledge, nature of risk, competitive advantage and strategies and the regulatory compliances. Each of these business segments are growing and becoming sizeable and have a distinct attractiveness to divergent set of investors, strategic partners and other stakeholders. | | | | |



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| 1.4 | In light of aforesaid background and this being an appropriate time to unlock the potential value of each of these business segments, it is proposed through this Scheme to segregate the lending business activities and non-lending business activities into two strong and distinctive business platforms and listed entities. |
| 1.5 | The proposed demerger will facilitate pursuit of scale and independent growth plans (organically and inorganically) with more focused management and flexibility as well as liquidity for shareholders (following the listing of equity shares of the Resulting Company pursuant to the Scheme). This will assist in insulating and de-risking these business segments from each other. This will also facilitate the existing and potential investors and other stakeholders the option of being associated with the business segments of their choice. This will further open-up window to unlock value through potential divestments and acquisitions to achieve the scale of business in respective subsidiaries too. |
| 1.6 | The demerger, transfer and vesting of Non-Lending Business Undertaking on a going concern basis to the Resulting Company is intended, inter alia, to result in following benefits: |
| 1.6.1 | segregation and unbundling of the non-lending business activities of the Demerged Company into the Resulting Company, which will enable better, focussed and efficient control and management for the segregated businesses and promote their growth; |
| 1.6.2 | enhance and unlocking of value for the shareholders and allow a focused strategy in operation of the respective business segments which would be in the best interest of the Demerged Company and the Resulting Company, shareholders, creditors and all persons connected therewith; |
| 1.6.3 | each business segment would be able to address independent business opportunities, pursue efficient capital raising and allocation and attract different sets of investors, strategic partners, lenders and other stakeholders; and |
| 1.6.4 | enhancing competitive strength, achieving cost optimisation, ensuring benefits through focused management of the financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies of the Resulting Company and the Demerged Company thereby significantly contributing to future growth and maximizing shareholders' value. |

4. BRIEF DETAILS OF CHANGE IN SHAREHOLDING PATTERN (IF ANY) OF ALL ENTITIES

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| a) | There will be no change in the shareholding pattern of the Demerged Company pursuant to the Scheme. |
| b) | Upon the Scheme becoming effective and in consideration of the demerger, the Resulting Company shall issue and allot to each member of the Demerged Company whose name is recorded in the register of members as a shareholder of the Demerged Company on the Record Date, equity shares in the Resulting Company in the ratio of 4 (Four) fully paid-up Equity Share of INR 10/- (Rupee Ten Only) each for every 1 (One) fully paid-up Equity Share of INR 10/- (Rupee Ten Only) held by such member of the Demerged Company as on the Record Date (" Equity Share Entitlement Ratio "). |
| c) | Further, upon the Scheme becoming effective and in consideration of the demerger, the Resulting Company shall issue and allot to each holder of Optionally Convertible Preference Shares (OCPS) of Rs. 325/- each fully paid-up in the Demerged Company whose name is recorded in the register of members as a holder of OCPS of the Demerged Company on the Record Date, Optionally Convertible Preference Shares (OCPS) in the Resulting Company in the ratio of 4 (Four) fully paid-up OCPS of INR 10/- (Rupee Ten Only) each for every 1 (One) fully paid-up OCPS of INR 325/- (Rupee Three Hundred Twenty Five Only) held by such member of the Demerged Company as on the Record Date, on such terms and conditions as are more particularly specified in the Scheme (" OCPS Entitlement Ratio "). Further, the face value / redemption amount payable to holder of Optionally Convertible Preference Shares (OCPS) is |



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| | <p>the Demerged Company in the event of exercise of option of redemption of OCPS, shall be proportionately reduced, as are more particularly specified in the Scheme.</p> <p>d) Immediately upon the issuance of shares by the Resulting Company to the shareholders of the Demerged Company as aforesaid, the entire issued, subscribed, and paid-up equity share capital of the Resulting Company as existing on the Appointed Date, i.e. beginning of day on April 1, 2022 shall stand cancelled, without any further act or deed.</p> |
| 5. | IN CASE OF CASH CONSIDERATION – AMOUNT OR OTHERWISE SHARE EXCHANGE RATIO |
| | <p>Upon the Scheme becoming effective and in consideration of the demerger, the Resulting Company shall:</p> <p>a) Issue and allot to each member of the Demerged Company whose name is recorded in the register of members as a shareholder of the Demerged Company on the Record Date, equity shares in the Resulting Company in the ratio of 4 (Four) fully paid-up Equity Share of INR 10/- (Rupee Ten Only) each for every 1 (One) fully paid-up Equity Share of INR 10/- (Rupee Ten Only) held by such member of the Demerged Company as on the Record Date ("Equity Share Entitlement Ratio")</p> <p>b) Issue and allot to each holder of Optionally Convertible Preference Shares (OCPS) of Rs. 325/- each fully paid-up in the Demerged Company whose name is recorded in the register of members as a holder of OCPS of the Demerged Company on the Record Date, Optionally Convertible Preference Shares (OCPS) in the Resulting Company in the ratio of 4 (Four) fully paid-up OCPS of INR 10/- (Rupee Ten Only) each for every 1 (One) fully paid-up OCPS of INR 325/- (Rupee Three Hundred Twenty Five Only) held by such member of the Demerged Company as on the Record Date, on such terms and conditions as are more particularly specified in the Scheme ("OCPS Entitlement Ratio"). Further, the redemption amount payable to holder of Optionally Convertible Preference Shares (OCPS) in the Demerged Company in the event of exercise of option of redemption of OCPS, shall be proportionately reduced as are more particularly specified in the Scheme.</p> <p>c) The existing equity shares held by the Demerged Company in the Resulting Company shall be cancelled as part of the Scheme. The OCPS are not proposed to be listed on any stock exchanges.</p> |
| 6. | WHETHER LISTING WOULD BE SOUGHT FOR THE RESULTING ENTITY |
| | <p>The Resulting Company will apply for listing and/or trading of its equity shares issued pursuant to Scheme on the BSE Limited and National Stock Exchange of India Limited.</p> |

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