

Ref: NSE/LIST/106012

March 2, 2017

The Company Secretary  
IIFL Holdings Limited  
IIFL Centre, B Wing, Trade Centre,  
Off Senapati Bapat Marg,  
Lower Parel,  
Mumbai - 400013

**Kind Attn.: Mr. Gajendar Thakur**

Dear Sir,

**Sub: Revised Observation letter for draft Scheme of Arrangement between IIFL Holding Limited and 5Paisa Capital Limited and their respective shareholders.**

This has reference to draft Scheme of Arrangement between IIFL Holding Limited and 5Paisa Capital Limited and their respective shareholders submitted to NSE vide your letter dated October 08, 2016.

Based on our letter reference no. NSE/LIST/104013 submitted to SEBI and pursuant to SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015, SEBI has vide letter dated February 27, 2017, has given following comments on the draft Scheme of Arrangement:

- “1. Company shall ensure that additional information, if any, submitted by the company, after filling the scheme with the stock exchange, from the date of receipt of this letter is displayed on the website of the listed entity.*
- 2. The Company shall duly comply with various provisions of the Circular.”*

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our “No-objection” in terms of regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with the Hon’ble High Court / NCLT.

However, the listing of equity shares of 5Paisa Capital Limited on the National Stock Exchange of India Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957. Further, 5Paisa Capital Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authorities and Rules, Byelaws and Regulations of the Exchange.

The Company should also fulfill the Exchange’s criteria for listing such Company and also comply with other applicable statutory requirements. However, the listing of shares of 5Paisa Capital Limited is at the discretion of the Exchange.

The listing of 5Paisa Capital Limited, pursuant to the Scheme of Arrangement and Amalgamation shall be subject to SEBI approval & Company satisfying the following conditions:



1. To submit the Information Memorandum containing all the information about 5Paisa Capital Limited and its group Companies in line with the disclosure requirements applicable for public issues with NSE for making the same available to the public through website of the Company.
2. To publish an advertisement in the newspapers containing all the information about 5Paisa Capital Limited in line with the details required as per SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.
3. To disclose all the material information about 5Paisa Capital Limited to NSE on the continuous basis so as to make the same public, in addition to the requirements, if any, specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for disclosures about the subsidiaries.
4. The following provision shall be incorporated in the Scheme:
  - (a) “The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.”
  - (b) “There shall be no change in the shareholding pattern or control in 5Paisa Capital Limited between the record date and the listing which may affect the status of this approval.”

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from March 2, 2017, within which the Scheme shall be submitted to the Hon’ble High Court / NCLT. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon’ble High Court / NCLT, you shall submit to NSE the following:

- a. Copy of Scheme as approved by the High Court / NCLT;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme.
- d. Status of compliance with the Observation Letter/s of the stock exchanges
- e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f. Complaints Report as per SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015.

Yours faithfully,  
For **National Stock Exchange of India Limited**

Divya Poojari  
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL  
[http://www.nseindia.com/corporates/content/further\\_issues.htm](http://www.nseindia.com/corporates/content/further_issues.htm)