



October 06, 2017

To, BSE Limited Department of Corporate Services, Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai 400 001 BSE Scrip Code: 532636	To, National Stock Exchange of India Limited Listing Department, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 NSE Scrip Code: IIFL
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Sub: Note on Scheme of Arrangement between IIFL Holdings Limited (Demerged Company) and Spaisa Capital Limited (Resulting Company) and their respective Shareholders for the demerger of Spaisa digital Undertaking.

Dear Sir/ Madam,

A brief note on aforesaid Scheme is as under:

The Scheme of Arrangement is presented under Sections 391 to 394 read with Section 100 and other applicable provisions of the Companies Act, 1956 ("the Act"), for demerger of the 5Paisa Digital Undertaking carried out by IIFL Holdings Limited ("IHL" or "the Demerged Company"), on a going concern basis and vesting in 5Paisa Capital Limited ("5PCL" or "the Resulting Company"). The Scheme also provides for various other matters consequential or otherwise integrally connected herewith. The said scheme is approved by NCLT, Mumbai vide its order dated September 06, 2017 and the same has become effective from September 30, 2017 with the filing of necessary form with MCA.

The rationale of the scheme:

Both the companies under this Scheme of Arrangement are part of IIFL Group ('the Group'). The Group business consists of Financial Services, Financing, Housing Finance, Capital Market Services, Merchant Banking, Investment Advisory, Insurance Broking, Distribution of Financial Products, Wealth Management & Asset Management Services and 5Paisa Digital Business which are carried out either by itself or through each of the subsidiaries of IHL.



IIFL Holdings Limited

CIN : L74999MH1995PLC093797

Corporate Office – IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai – 400013 Tel: (91-22) 4249 9000 .Fax: (91-22) 40609049
Regd. Office – IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane – 400604

Tel: (91-22) 25806650. Fax: (91-22) 25806654 E-mail: csteam@iifl.com Website: www.iifl.com



IHL is engaged in Merchant Banking, Investment Advisory services including holding investments in subsidiaries. Besides the aforesaid, IHL has also over a period of time engaged in and has invested in set-up of 5Paisa Digital Business which includes development/ maintenance of technology application for online trading through trading terminal and mobile application, source code of mobile application, domain name (5Paisa.com), software rights, brand i.e. 5Paisa establishment, protection and support, Infrastructure and facilities services etc.

5PCL is engaged in providing an online technology platform through internet terminals and mobile apps for trading of securities in National Stock Exchange of India Limited & BSE Limited, Depository Participant of CDSL, AMFI, and providing a wider basket of financial services including distribution of mutual fund bonds and debentures etc. The digital way of doing trading in securities is emerging as a new segment with potential to achieve critical mass and grow exponentially in near future with the spread of internet and mobile penetration as also 3G/4G telecommunication and data services throughout the Country. 5paisa will acquire, service and grow the new emerging DIY (Do-it-yourself) customer segment who prefer least cost for various financial products. Their service providers operate with cutting edge technology with minimal physical infrastructure and manpower. Such organizations require a different structure and culture. This proposition will not only enhance business focus but will also enable investors to invest seamlessly from anywhere on their own. Keeping in view the above, the Board has decided to demerge 5Paisa Digital Undertaking from IHL to seize the opportunity of such new DIY customer segment.

Kindly take the same in your records and oblige.

Thanking you.

Yours faithfully,

For IIFL Holdings Limited

Gajendra Thakur
Company Secretary

Place: Mumbai

e-mail: gajendra.thakur@iifl.com



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