



October 24, 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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Dear Sir/ Madam,

Sub: Apportionment of the Cost of Acquisition of equity shares.

Please find attached the communication being issued for providing general guidance to the shareholders of IIFL Holdings Limited pertaining to the method of calculation and apportionment of the cost of acquisition of the equity shares of IIFL Holdings Limited between the equity shares of IIFL Holdings Limited and 5paisa Capital Limited (Previously known as IIFL Capital Limited) in terms of the provisions of the Income Tax Act, 1961.

The same is also being uploaded on the website of the Company i.e. www.iifl.com.

This is for the purpose of dissemination of information widely to the Members of the Company.

Kindly take note of the same and oblige.

Thanking you.

Yours faithfully,

For IIFL Holdings Limited

Gajendra Thakur
Company Secretary

Place: Mumbai

e-mail: gajendra.thakur@iifl.com



IIFL Holdings Limited

CIN : L74999MH1995PLC093797

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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

When it's about money..



Dear Shareholders,

Sub: Computation of Cost of acquisition per share of IIFL Holdings Limited ("The Company or IHL") and 5Paisa Capital Limited ("5PCL")

The National Company Law Tribunal, Mumbai Bench, has by its Order dated September 06, 2017 sanctioned the Scheme of Arrangement between IIFL Holdings Limited and 5Paisa Capital Limited and their respective shareholders and Creditors ("Scheme"). The Scheme became effective on September 30, 2017.

As per the Scheme, the assets & liabilities of 5paisa digital Undertaking of IHL on going concern basis has been transferred to 5PCL at book value, as standing in the books of IHL as on the opening business hours on October 01, 2016 (Appointed Date).

On October 20, 2017, 5PCL has allotted 1 (One) fully paid up Equity Share of ₹10/- each of 5PCL for every 25 (Twenty Five) fully paid up Equity Shares of ₹ 2/- each held by shareholders of IHL, whose name is recorded in the register of members and records of the depository as Members of IHL, on the Record Date i.e. October 18, 2017. The fractional entitlements arising, if any, to the eligible shareholders of IHL will be remitted in due course as per the Scheme.

IHL is issuing this communication for providing general guidance to the shareholders of IHL in relation to the method of calculation and apportionment of the cost of acquisition of the Equity Shares of IHL between the shares of IHL and 5PCL in terms of the provisions of the Income Tax Act, 1961. The aforesaid method of calculation is based on "Net Book Value" of the assets of the 5Paisa Digital Undertaking to the "Net Worth" of IHL. For the purpose of determining the Post Demerger cost of acquisition of Equity Shares of IHL and 5PCL under the Income Tax Act, 1961, the shareholders are advised to apportion their pre- demerger cost of acquisition of IHL's equity shares in the following manner:

Name of the Company	% of Cost of acquisition of IHL's Equity Shares
IIFL Holdings Limited	93.02
5paisa Capital Limited	6.98
Total	100.00

Accordingly, the cost of acquisition of equity shares allotted in 5PCL will be 6.98% of the total cost of acquisition of the equity shares held in IHL prior to the demerger. Hence, the actual cost of 1 (One) equity share of 5PCL will be 6.98% of the acquisition cost of 25 (Twenty Five) equity shares of IHL.

In terms of the provisions of section 47(vi)(d) of the Income Tax Act, 1961, IHL has been advised that since the issue of shares by 5PCL to the equity shareholders of IHL is pursuant to the Scheme and consideration of Demerger of the 5Paisa Digital Undertaking of IHL in terms of the Scheme it will not be considered as a transfer. In view of above, please note that the date of acquisition of shares of IHL will be deemed to be the date of acquisition for the equity shares of 5PCL also.

Kindly note that if there is any change, including change having a retrospective effect in Statutory Laws or Regulations, the comments expressed in this communication would necessarily have to be re- evaluated in the light of changes. IHL does not take the responsibility of updating this communication at any time in future.

Further, please note that this communication related with computation of cost of acquisition is meant only for the purpose of providing general guidance to the shareholders of IHL and hence this should not be considered as a substitute for any Independent opinion that the shareholder may obtain. It may also be noted that the concerned Statutory/ Regulatory/Judicial Authority, including any Assessing Officer/Appropriate Appellate Authority, may take a different view in relation to the aforesaid computation. IHL takes no express or implied liability in relation to this guidance.

Mumbai, October 24, 2017



IIFL Holdings Limited CIN: L74999MH1995PLC093797

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