



IIFL Securities Limited

CIN: L99999MH1996PLC132983

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) 6272 7000 Fax: (91-22) 25806654

E-mail: secretarial@iifl.com, Website: www.iiflsecurities.com

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014]

Dear Shareholders(s),

NOTICE is hereby given, pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (**"the Act"**) read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (**"the Rules"**), Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**) and General Circular No.14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 33/2020 dated September 28, 2020 issued by the Ministry of Corporate Affairs (**"the MCA Circulars"**) (hereinafter collectively referred to as **"MCA Circulars"**) and subject to any other applicable laws and regulations, to transact the special businesses mentioned below by the members of IIFL Securities Limited (**"the Company"**) by passing resolutions through postal ballot (**"Postal Ballot"**) only through remote e-voting.

- 1) To approve to sell/ dispose/lease asset(s) of the material subsidiary(ies).
- 2) To approve buy back of equity shares.
- 3) To appoint Mr. Anand Bathiya as an Independent Director on the Board of the Company.

In view of the current extraordinary circumstances due to COVID-19 pandemic and in compliance with the aforementioned MCA / SEBI Circulars, the Company will send Postal Ballot Notice by email to all its Members who have registered their email addresses with the Company or depository / depository participants and the communication of assent / dissent of the Members will only take place through the e-Voting system. If your e-mail address is not registered with the Company/Depositories, please follow the process provided in the Notes to receive this Postal Ballot Notice and login ID and password for remote e-voting. Hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business reply envelope will not be sent to the Members for this Postal Ballot and Members are required to communicate their assent or dissent through the remote e-voting system only.

The Explanatory Statement pursuant to Sections 102 of the Act pertaining to the Special Resolution setting out the material facts concerning the same and the reasons thereof are annexed hereto for your consideration.

The Board of Directors of the Company (**"Board"**), at its Meeting held on November 20, 2020, has appointed CS Hetal Shah or failing him CS Nilesh Shah of M/s. Nilesh Shah and Associates, Practicing

Company Secretaries, Mumbai, as the Scrutinizer for conducting the Postal Ballot through e-voting process in a fair and transparent manner.

You are requested to peruse the proposed resolutions along with their respective Explanatory Statement and thereafter record your assent or dissent by means of remote e-voting facility provided by the Company. The remote e-voting period commences from 9:00 a.m. (IST) on Saturday, November 21, 2020 and ends at 5:00 p.m. (IST) on Sunday, December 20, 2020. The Scrutinizer will submit his report to the Chairman of the Company, or any person authorized by him upon completion of the scrutiny of the votes cast through remote e-voting. The results of the Postal Ballot will be announced on or before 5:00 p.m. (IST) Tuesday, December 22, 2020. The said results along with the Scrutinizer's Report would be intimated to BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed. Additionally, the results will also be uploaded on the Company's website www.iiflsecurities.com and on the website of Central Depository Services Limited (CDSL) www.evotingindia.com.

The proposed resolutions requiring consent of Members through Postal Ballot are as under:

Item no. 1

To approve to sell/ dispose/Lease asset(s) of the material subsidiary (ies)

To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Regulation 24 and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“the Listing Regulations”**) and subject to requisite approvals, if any, as may be required, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as **“Board”**, which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute) to sale, lease or dispose off assets of the material subsidiary (ies) amounting to more than 20% of the assets of the material subsidiary (ies), to the lenders/ buyers/ third-parties through various modes including by way of slump sale, asset sale or through other contractual arrangements, for any purpose in connection with the business activities of the Company or its subsidiaries, in one or more tranches, on such terms and conditions and in such manner as the Board may deem fit in the best interest of the Company;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things including but not limited to deciding on the timing, manner and extent of carrying out the aforesaid activities and to negotiate, finalise and execute agreement(s), such other document(s), by whatever name called and to do all acts, matters and things as may be necessary in this regard and to settle any questions or difficulties that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members and to delegate all or any of the powers or authorities herein conferred to any Director(s) or other Officer(s) of the Company, or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary.”

Item no. 2

To approve buy back of equity shares

To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Article 15 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and 110 and all other applicable provisions, if any, of the Companies Act, 2013 (**“Act”**), the Companies (Share Capital and Debentures) Rules, 2014 (Share Capital Rules) and the Companies (Management and Administration) Rules, 2014 Management Rules, to the extent applicable, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“LODR Regulations”**) and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (**“Buyback Regulations”**), as amended from time to time, and subject to such other approvals, permissions, sanctions and exemptions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions, sanctions and exemptions, which may be agreed to by the Board of Directors of the Company (**“Board”**, which expression shall include any Committee constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution), the consent of the members is hereby accorded for the buyback by the Company of its fully paid-up equity shares of face value of ₹2/- (Rupee Two) each (**“Equity Shares”**), from the members of the Company (except promoters, promoter group and persons in control of the Company) at a price not exceeding ₹54/- (Rupees Fifty Four Only) per Equity Share (**“Maximum Buyback Price”**), and such aggregate amount, ₹90 crores (Rupees Ninety Crores only) (**“Maximum Buyback Size”**), representing 14.46% and 11.53% of the aggregate of the total paid-up capital and free reserves of the Company based on the latest audited financial statements of the Company as at March 31, 2020 on a standalone and consolidated basis, respectively (which is less than 15% of the total paid up capital and free reserves of the Company) (**“Buyback”**). The Maximum Buyback Size does not include transaction costs, namely applicable taxes such as buyback tax, securities transaction tax, goods and service tax, stamp duty, filing fees, advisors’ fees, brokerage, public announcement expenses, expenses and other incidental and related expenses (**“Transaction Costs”**). The Buyback period shall commence from the date of declaration of results of the postal ballot notice for the special resolution until the last date on which the payment of consideration for the Equity Shares bought back by the Company is made (**“Buyback Period”**), in accordance, and in consonance, with the provisions of the Buyback Regulations, the Act, Share Capital Rules, the Management Rules and the LODR Regulations.

RESOLVED FURTHER THAT subject to the market price of the Equity Shares being equal to the Maximum Buyback Price, the indicative maximum number of Equity Shares bought back would be 1,66,66,666 Equity Shares (**“Maximum Buyback Shares”**), comprising approximately 5.21% of the paid-up equity share capital of the Company as of March 31,2020 (on both, standalone and consolidated basis). If the Equity Shares are bought back at a price below the Maximum Buyback Price, the actual number of Equity Shares bought back could exceed the Maximum Buyback Shares, but will always be subject to the Maximum Buyback Size. The Company shall utilise at least 50% of the amount earmarked as the Maximum Buyback Size for the Buyback, i.e. ₹45 crore (Rupees Forty Five crore only) (**“Minimum Buyback Size”**). Based on the Minimum Buyback Size and Maximum Buyback Price, the Company would purchase a minimum of 83,33,333 Equity Shares

RESOLVED FURTHER THAT the Company shall implement the Buyback out of its free reserves, and the Buyback shall be undertaken through the open market route through the Indian stock exchanges i.e.,

BSE Limited and National Stock Exchange of India Limited, through the order matching mechanism except “all or none” order matching system, as provided under the Buyback Regulations or on such terms and conditions as the Board may deem fit.

RESOLVED FURTHER THAT the Buyback would be subject to the requirement of maintaining the minimum public shareholding, as specified in Regulation 38 of the LODR Regulations.

RESOLVED FURTHER THAT the Buyback shall, in any case, close within 6 (six) months from the date of opening of the Buyback or such other period as may be permitted under the Act or Buyback Regulations. The Board, in its absolute discretion, may decide to close the Buyback at any time, provided that at least 50% (Fifty percent) of the Maximum Buyback Size is utilized for buying back the Equity Shares, by giving appropriate notice of such earlier date and completing all formalities in this regard as per relevant laws and regulations.

RESOLVED FURTHER THAT the Buyback of Equity Shares from non-resident Members of the Company, including Overseas Corporate Bodies (“OCBs”), Foreign Institutional Investors (“FIIs”)/Foreign Portfolio Investors (“FPIs”), Members of foreign nationality, etc., shall be subject to such approvals if any, and to the extent necessary or required from the concerned authorities including approvals from the Reserve Bank of India (“RBI”) under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder, if any;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred hereinabove as it may in its absolute discretion deem fit, to any / Director(s)/Officer(s)/Authorised Representative(s)/Committee (“Buyback Committee”) of the Company in order to give effect to this resolution, including but not limited to finalizing the terms of the Buyback such the time frame for completion of Buyback; appointment of merchant bankers, registrars, brokers, depository participants, escrow agents, advisors, consultants, intermediaries, other agencies, as may be required, for implementation of the Buyback; preparation, finalizing, signing and filing of the Public Announcement and such other necessary applications, undertakings, agreements, papers, documents and correspondence, if required under the Common Seal of the Company, to be filed in connection with the Buyback with SEBI, RBI, stock exchanges where the Equity Shares of the Company are listed, Registrar of Companies, Depositories and/or other regulatory /statutory authorities as may be required from time to time and obtain their approvals as may be required and to initiate all necessary actions including opening, operation and closure of necessary bank accounts (including escrow account), issuance of bank guarantee in favour of the merchant banker, if any, or deposit of acceptable securities with appropriate margin with the merchant banker, entering into agreements, release of public announcement, filing of declaration of solvency, obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law, extinguishment of dematerialized shares and physical destruction of share certificates in respect of the Equity Shares bought back by the Company;

RESOLVED FURTHER THAT nothing contained herein shall confer any right on the part of any Member to offer and/or any obligation on the part of the Company or the Board or the Buyback Committee to Buyback any shares, and/or impair any power of the Company or the Board or the Buyback Committee to terminate any process in relation to such Buyback, if so permissible by law;

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board or the Buyback Committee be and are hereby empowered and authorised severally on behalf of the Company to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary,

concerning any aspect of the Buyback, in accordance with the statutory requirements or any conditions laid down by any regulatory or other authority while giving its approval as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as the Board and/or any person authorised by the Board of Directors may, in absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

Item no. 3

To appoint Mr. Anand Bathiya as an Independent Director on the Board of the Company

To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152, 161 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, and pursuant to Regulation 16(1)(b) and other applicable provisions, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter called “**the Listing Regulation**”), Mr. Anand Bathiya (DIN: 03084831), who was appointed as an Additional Independent Director by the Board of Directors, with effect from September 22, 2020, who holds office up to the date of the General Meeting, and has submitted a declaration confirming that he meets the criteria of independence as specified in the Act and Listing Regulation, and who is eligible for appointment, and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member, proposing his candidature for the office of Director, and whose appointment has been recommended by Nomination and Remuneration Committee and approved by the Board of Directors of the Company, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation and to hold office for a term of five consecutive years from September 22, 2020 to September 21, 2025.”

By order of the Board of Directors

For IIFL Securities Limited

Meghal Shah
Company Secretary and Compliance Officer
Date: November 20, 2020
Place: Mumbai
Email: secretarial@iifl.com

Registered Office:
IIFL House, Sun Infotech Park, Road No. 16V,
Plot No.B-23, Thane Industrial Area, Wagle Estate, Thane - 400604.

Notes:

1. The explanatory statement for the proposed resolutions pursuant to Section 102 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 setting out material facts is annexed hereto and forms part of this Notice.
2. In view of the ongoing COVID-19 pandemic and the provisions of Circulars issued by the Ministry of Corporate Affairs on April 8, 2020, April 13, 2020 and September 28, 2020 (MCA Circulars), the Company has sent this Postal Ballot Notice only through e-mail to all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from Depositories as on Friday November 13, 2020 (the cut-off date) and who have registered their e-mail address with the Company/Depository Participant (DP). The hard copy of this Notice along with postal ballot forms and pre-paid business envelope will not be sent to the Members for the postal ballot in accordance with the requirements specified under the MCA Circulars. Accordingly, the communication of the assent or dissent of the Members would take place through e-voting only.
3. Members holding shares in physical form and who have not yet registered their e-mail address are requested to register the same with the Company by sending an e-mail to secretarial@iifl.com. Members holding shares in electronic form are requested to get their e-mail address registered with their respective DP. Thereafter, the Company would endeavor to send the Postal Ballot Notice to such Members through email to enable them to cast their vote through e-voting.
4. The Postal Ballot Notice is placed on www.iiflsecurities.com, www.bseindia.com, www.nseindia.com and www.evotingindia.com.
5. All the relevant documents, if any, pertaining to the above resolutions shall be made available on the website of the company at www.iiflsecurities.com for inspection for a period of 30 days from the date of this Notice.
6. As required by Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, read with the MCA Circulars and the Regulations, the details pertaining to the Postal Ballot will be published in one English daily Newspaper circulating in Mumbai (in English language) and one Marathi (vernacular) daily Newspaper circulating in Mumbai (in vernacular language, i.e. Marathi).
7. The voting rights of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date i.e. Friday November 13, 2020.
8. The information and instructions for shareholders for remote e-voting are as under:

In compliance with the provisions of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sections 108 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (as amended), MCA Circulars and the Secretarial Standard on General Meetings, the Company is providing a facility to all its members to enable them to cast their vote on the matters listed in this Notice by electronic means (e-voting). The e-voting facility is provided by Central Depository Services Limited (CDSL). The steps for e-voting are as under:

- i. The shareholders should log on to the e-voting website www.evotingindia.com.
- ii. Click on “Shareholders” module.
- iii. Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next, enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Account Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Account Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

After entering these details appropriately, click on “SUBMIT” tab.

- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the Electronic Voting Sequence Number (EVSN) of IIFL Securities Limited on which you choose to vote.
- x. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- xi. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
 - xii. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
 - xiii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - xiv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
 - xv. If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - xvi. Shareholders can also cast their vote using CDSL’s mobile app m-Voting. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
 - xvii. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - xviii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
9. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/ beneficial owner (in case of electronic shareholding) as on the cut-off date, i.e., Friday November 13, 2020. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.
 10. Person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. Friday November 13, 2020, only shall be entitled to avail the facility of e-voting.
 11. The Board of Directors of the Company has appointed CS Hetal Shah or failing him CS Nilesh Shah of M/s. Nilesh Shah and Associates, a Practicing Company Secretary firm, Mumbai as Scrutinizer to scrutinise the e-voting process in a fair and transparent manner.
 12. The Scrutinizer will submit his report of the votes cast to the Chairman or any Director authorized by the Board or the Company Secretary.

13. Some of the important details regarding the e-voting facility are provided below:

Cut-off date for determining the Members entitled to vote through e-voting	Friday November 13, 2020
Commencement of e-voting period	Saturday November 21, 2020 at 9:00 a.m.
End of e-voting period	Sunday December 20, 2020 at 5:00 p.m.

The e-voting module will be disabled by CDSL after 5:00 p.m. on Sunday December 20, 2020.

14. Institutional/Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter etc. with the attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail at nilesh@ngshah.com or to our RTA at rnt.helpdesk@linkintime.co.in and to company at secretarial@iifl.com.
15. The resolutions approved / voted by the Members through Postal Ballot/ e-voting is deemed to have been passed as if they have been passed at a General Meeting of Members. The date of declaration of results of the Postal Ballot/ e-voting shall be the date on which the resolutions would be deemed to have been passed, if approved by the requisite majority.
16. The result, along with the Scrutinizer's Report, will be announced on or before Tuesday December 22, 2020 and placed on the website of the Company and CDSL and shall be communicated to BSE Limited and National Stock Exchange of India Limited.

PROCEDURE FOR REGISTRATION OF E-MAIL ADDRESS AND BANK DETAILS BY SHAREHOLDERS:-

i. For Temporary Registration for Demat shareholders:

The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Link Intime India Pvt Ltd by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail id. In case of any query, a member may send an e-mail to RTA at rnt.helpdesk@linkintime.co.in.

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

ii. For Permanent Registration for Demat shareholders:

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

iii. Registration of email id for shareholders holding physical shares:

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their e-mail addresses may get their e-mail addresses registered with Link Intime India Pvt Ltd, by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail / Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e mail id and also upload the image of share certificate in PDF or JPEG format. (upto 1 MB). In case of any query, a member may send an e-mail to RTA at rnt.helpdesk@linkintime.co.in.

On submission of the shareholders details an OTP will be received by the shareholder who needs to be entered in the link for verification.

iv. Registration of Bank Details for physical shareholders:

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their bank details can get the same registered with Link Intime India Pvt Ltd, by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail/Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, e – mail id along with the he copy of the cheque leaf with the first named shareholders name imprinted in the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code in PDF or JPEG format. In case of any query, a member may send an e-mail to RTA at rnt.helpdesk@linkintime.co.in.

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF THE COMPANIES ACT, 2013

As required under Section 102 and 110 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the items mentioned in the Notice dated Friday 20, November, 2020.

Item No. 1

To approve to sell/ dispose/Lease asset(s) of the material subsidiary (ies)

The Company continuously keeps exploring opportunities to raise funds from time to time to meet business requirements. In this regard, the proposal may envisage sale, lease, disposal of assets, in one or more of its subsidiary(ies) including material subsidiaries (currently being IIFL Facilities Services Limited) to the lenders / buyers / third-parties through various modes including by way of slump sale, asset sale or through other contractual arrangements, for any purpose in connection with the business activities of the Company or its subsidiary(ies), in one or more tranches, on such terms and conditions as the Board may deem fit.

The Board believes that the consideration from the sale/disposal/lease of assets of the subsidiary will generate significant shareholder value and present an attractive monetization opportunity and is in the best interest of the Company.

In terms of Regulation 24(6) of the Listing Regulations, selling, disposing and leasing of assets material subsidiary amounting to more than 20% of the assets of the material subsidiary on an aggregate basis during a financial year shall require prior approval of the Members by way of a special resolution.

In view of the aforesaid regulatory requirement, approval of the Members is sought for the resolution proposed in the item no.1 of the said notice.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 1 of the Notice.

The Board recommends the Special Resolution set out at Item No. 1 of the Notice for approval by the Members.

Item No. 2

The Board of Directors of the Company, at its meeting held on Friday November 20, 2020 (**“Board Meeting”**) has, subject to the approval of the Members of the Company by way of Special Resolution and subject to such approvals of regulatory and/or statutory authorities as may be required under applicable laws, approved the buyback by the Company of its fully paid-up equity shares of face value of ₹2/- (Rupee Two) each (**“Equity Shares”**), from the members of the Company (except promoters, promoter group and persons in control of the Company) at a price not exceeding ₹54/- (Rupees Fifty Four Only) per Equity Share (**“Maximum Buyback Price”**), and such aggregate amount, ₹90 crores (Rupees Ninety Crores only) (**“Maximum Buyback Size”**), representing 14.46% and 11.53% of the aggregate of the total paid-up capital and free reserves of the Company based on the latest audited financial statements of the Company as at March 31, 2020 on standalone and consolidated basis, respectively (which is less than 15% of the total paid up capital and free reserves of the Company) (**“Buyback”**). The Maximum Buyback Size does not include transaction costs, namely applicable taxes

such as buyback tax, securities transaction tax, goods and service tax, stamp duty, filing fees, advisors' fees, brokerage, public announcement expenses, expenses and other incidental and related expenses ("**Transaction Costs**").

Since the Buyback is more than 10% of the total paid-up equity share capital and free reserves of the Company, in terms of Section 68(2)(b) of the Act, it is necessary to obtain the consent of the Members of the Company, for the Buyback, by way of a Special Resolution.

Accordingly, the Company is seeking your consent by means of postal ballot for the aforesaid proposal as contained in the Resolution provided in this Notice. Certain figures contained in this Postal Ballot Notice have been subject to rounding-off adjustments. All decimals have been rounded off to two decimal points.

Requisite details relating to the Buyback are given below:

(i) Date of the Board Meeting at which the proposal for Buyback was approved by the Board of Directors of the Company

The Board of directors of the Company ("**Board**") at its meeting held on Friday November 20, 2020 ("**Board Meeting**") has, subject to the approval of the members of the Company by way of a special resolution through Postal Ballot including electronic voting, approved and recommended the proposal of buyback of Equity Shares as per the details mentioned above and in the Resolution of this notice.

(ii) Necessity for the Buyback

The Buyback is being undertaken by the Company after taking into account the strategic and operational cash requirements of the Company in the medium term.

The Board of Directors of the Company is of the view that the Buyback will help the Company effectively utilize its available surplus funds, which is in excess of the surplus amount needed to be retained by the Company for the future growth.

The Buyback is expected to enhance overall long term shareholders' value for continuing shareholders, without compromising on the future growth opportunities of the Company, as well as provide an exit opportunity to the public shareholders.

(iii) Maximum amount required under the Buyback and its percentage of the total paid up capital and free reserves

The maximum amount of funds required for the Buyback will not exceed ₹ 90 crores (Rupees Ninety Crores only), being 14.46% and 11.53% of the aggregate of the total paid-up capital and free reserves of the Company based on the latest audited financial statements of the Company as at March 31, 2020 on standalone and consolidated basis, respectively (which is less than 15% of the total paid up capital and free reserves of the Company).

The Maximum Buy Back Size does not include Transaction Costs. The funds for the implementation of the proposed Buyback will be sourced out of the free reserves of the Company (retained earnings) and/or such other source as may be permitted by the Buyback Regulations or the Act.

The Company shall transfer from its free reserves, a sum equal to the nominal value of the Equity shares so bought back to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited financial statements. The funds borrowed, if any, from banks and financial institutions will not be used for purpose of the Buyback.

(iv) Maximum price at which the shares or other specified securities are proposed be bought back and the basis of arriving at the buy-back price

The Equity Shares of the Company are proposed to be bought back at a price not exceeding ₹ 54/- (Rupees Fifty Four Only) per Equity Share ("**Maximum Buyback Price**"). The Offer Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average prices and closing price of the Equity Shares on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") i.e. the stock exchanges, where the Equity Shares of the Company are listed, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per share.

The Maximum Buyback Price represents:

- (a) Premium of 31.01% and 31.20% to the volume weighted average market price of the Equity Share on BSE and NSE, respectively, during the three months preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback.
- (b) Premium of 35.89% and 35.63% to the volume weighted average market price of the Equity Share on BSE and NSE, respectively, during the two weeks preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback
- (c) Premium of 29.65% and 29.81% over the closing price of the Equity Share on BSE and NSE, respectively, as on November 13, 2020, being the last trading date prior to the Company's intimation to the Stock Exchanges of the date of the Meeting of the Board of Directors wherein proposal of the Buyback was considered.

Shareholders are advised that the Buyback of the Equity Shares will be carried out through the Stock Exchanges by the Company, in its sole discretion, based on, amongst other things, the prevailing market prices of the Equity Shares, which may be below the Maximum Buyback Price of ₹ 54/- per equity share. The quantum of daily purchases by the Company during the Buyback Period may vary from day to day as permitted under the buyback regulations

The Company confirms that as required under Section 68(2)(d) of the Act, the ratio of the aggregate of secured and unsecured debts owed by the Company will not be more than twice the paid-up capital and free reserves after the Buyback.

(v) Maximum number of securities that the company proposes to buy- back

The indicative maximum number of equity shares proposed to be bought at the Maximum Buyback Size and Maximum Buyback Price under the Buyback would be 1,66,66,666 Equity Shares ("**Maximum Buyback Shares**"), comprising approximately 5.21% of the paid-up equity share capital of the Company as of March 31, 2020, on both, standalone and consolidated basis. If the Equity Shares are bought back at a price below the Maximum Buyback Price, the actual number of Equity Shares bought back could exceed the indicative Maximum Buyback Shares (assuming full

deployment of Maximum Buyback Size) but will always be subject to the Maximum Buyback Size. Further, the number of Equity Shares to be bought back will not exceed 25% of the total paid up equity capital of the Company.

The Company shall utilize at least 50% of the amount earmarked as the Maximum Buyback Size for the Buyback, i.e. ₹ 45 crores (Rupees Forty Five Crores only) ("**Minimum Buyback Size**"). Based on the Minimum Buyback Size and Maximum Buyback Price, the Company would purchase a minimum of 83,33,333 Equity Shares.

(vi) Method to be adopted for buy-back as referred to in sub-regulation (iv) of regulation 4

The Buyback is open to (a) all members holding Equity Shares in physical form ("**Physical Shares**"), subject to the provisions of any rule, circular or notification issued by the Indian Stock Exchanges or SEBI, and (ii) beneficial owners holding Equity Shares in dematerialised form ("**Demat Shares**"). The promoters, promoter group, and the persons in control of the Company shall not participate in the Buyback. Further, as required under the Buyback Regulations, the Company will not buyback Equity Shares which are locked-in or non-transferable, until the pendency of such lock-in or until the time such Equity Shares become transferable, as applicable.

The Buyback will be implemented by the Company by way of open market purchases through the Stock Exchanges, by the order matching mechanism except "all or none" order matching system, as provided under the Buyback Regulations.

In relation to the Buyback of Demat Shares, the execution of the order, issuance of contract note and delivery of the stock to the member and receipt of payment would be carried out by the broker, appointed by the Company, in accordance with the requirements of the Stock Exchanges and SEBI.

The Company shall make arrangements to facilitate participation in the Buyback by members who hold Physical Shares. In this regard, the Company shall approach the Stock Exchanges for permission to use a separate window for the Buyback of physical shares in terms of Regulation 19 of the Buyback Regulations ("**Physical Share Buyback Window**"), subject to the provisions of any rule, circular or notification issued by the Indian Stock Exchanges or SEBI with respect to participation by members holding Physical Shares. Upon completion of formalities with the Stock Exchanges to use their Physical Share Buyback Window, the Company shall Buyback the Physical Shares from the members. The procedure for Buyback of Physical Shares in the Physical Share Buyback Window shall be subject to the Buyback Regulations, requirements provided by the Stock Exchanges and any directions in this regard and the provisions of any rule, circular or notification issued by the Indian Stock Exchanges or SEBI with respect to participation by members holding Physical Shares.

(vii) Compliance with Section 68(2)(c) of the Act and Regulation 4 of the Buyback Regulations

In terms of the provisions of the Buyback Regulations, the offer for Buyback under open market route cannot be made for 15% or more of the total paid-up equity capital and free reserves of the Company.

As per the latest audited balance sheet of the Company as at March 31, 2020

Sr.No	Particulars	Amount (₹ in crores)	
		Standalone	Consolidated
1	Total paid-up Capital	63.92	63.92
2	Free reserves	558.50	716.50
3	Aggregate of the total paid-up equity capital and free reserves	622.42	780.42
4	15% of the aggregate of the total paid-up capital and free reserves	93.36	117.06

Based on the above, the Maximum Buyback Size, i.e. ₹90 crore, is less than 15% of the aggregate of the total paid-up capital and free reserves of the Company.

(viii) Details of holding and transactions in the shares of the Company

The aggregate shareholding of the Promoter and Promoter group Companies (hereinafter collectively referred to as “**Promoter Companies**”), Directors of the Promoter Companies and of the Directors and Key Managerial Personnel of the Company as on the date of this Postal Ballot Notice, are as follows:

- a) Aggregate shareholding of the Promoter and Promoter Group as on the date of this postal ballot notice-

Sr. No	Name	Category	Number of shares	% Shareholding
1	Mr. Nirmal Bhanwarlal Jain	Promoter	4,69,64,282	14.69
2	Mr. Venkataraman Rajamani	Promoter	1,11,84,432	3.50
3	Ms. Madhu N Jain	Promoter Group	1,20,75,000	3.78
4	Mansukhlal Jain and Harshita Jain (in their capacity as Trustee of Nirmal Madhu Family Private Trust)	Promoter Group	1,00,00,000	3.13
5	Aditi Avinash Athavankar (in the capacity as Trustee of Kalki Family Private Trust)	Promoter Group	90,00,000	2.82
6	Ms. Aditi Athavankar	Promoter Group	2,00,000	0.06
7	Orpheus Trading Private Limited	Promoter Group	30,19,500	0.94
8	Ardent Impex Private Limited	Promoter Group	27,00,000	0.84
	TOTAL		9,51,43,214	29.77

- b) Aggregate shareholding of the Directors of the Promoter group, where the promoter is a Company, as on the date of this postal ballot notice -

Sr. No	Name	Category	Number of shares	% Shareholding
1	Mr. Venkataraman Rajamani	Director	1,11,84,432	3.49
2	Ms. Madhu N Jain	Director	1,20,75,000	3.77

Sr. No	Name	Category	Number of shares	% Shareholding
3	Ms. Harshita Nirmal Jain	Director	Nil	-

c) Aggregate shareholding of the Directors of Company as on the date of this postal ballot notice -

Sr. No	Name	Category	Number of shares	% Shareholding
1	Mr. Venkataraman Rajamani	Managing Director and Chairman	1,11,84,432	3.49
2	Mr. Narendra Deshmaj Jain	Whole-Time Director	58,000	0.01
3	Mr. Mohan Radhakrishnan	Whole-Time Director	1,00,000	0.03
4	Mr. Anand Bathiya	Independent Director	Nil	NA
5	Ms. Rekha Warriar	Independent Director	Nil	NA
6	Mr. Shamik Das Sharma	Independent Director	Nil	NA

d) Aggregate shareholding of the Key Managerial Personnel of the Company, as on the date of this postal ballot notice -

Sr. No	Name	Category	Number of shares	% Shareholding
1	Mr. Venkataraman Rajamani	Managing Director	1,11,84,432	3.49
2	Mr. Arindam Chanda	Chief Executive Officer	24,205	0.0076
3	Mr. Ronak Gandhi	Chief Financial Officer	Nil	NA
4	Ms. Meghal Shah	Company Secretary and Compliance Officer	Nil	NA

e) None of the persons mentioned in point a, b, c, and d above have sold or purchased any Equity Shares of the Company (either through the Stock Exchanges or off market transactions) during the six months prior to the date of the Board Meeting till the date of this Notice.

(ix) Intention of Promoter Companies to participate in Buyback In terms of provisions of the Buyback Regulations, the intention of Promoter Companies to participate in the Buyback is as follows:

In terms of Regulation 16(ii) of the Buyback Regulations, the Buyback is not extended to the Promoters, promoters group and persons in control of the Company.

(x) Confirmations from Company as per the provisions of Buyback Regulations and Act

- a) The Company shall not issue any shares or other specified securities including by way of bonus till the date of expiry of the Buyback period;
- b) The Company shall not raise further capital for a period of six months or such other time as may be applicable in accordance with the Buyback Regulations or any circulars or notifications issued by SEBI in connection therewith, from the expiry of the Buyback period, except in discharge of subsisting obligations;

- c) The Company shall not buyback locked-in shares and non-transferable shares or other specified securities till the pendency of the lock-in or till the shares or other specified securities become transferable;
- d) The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares purchased through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited financial statements;
- e) The Company confirms that there are no defaults subsisting in repayment of deposits or interest thereon, redemption of debentures or interest thereon or redemption of preference shares or payment of dividend or repayment of any term loans or interest payable thereon to any shareholder or financial institution or banking company, as the case may be;
- f) All the Equity Shares of the Company are fully paid-up;
- g) The Company shall not buyback its Equity Shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- h) There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, 2013, as on date;
- i) The ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up Equity Share capital and free reserves after the Buyback based on both audited condensed standalone interim financial statements and audited condensed consolidated interim financial statements of the Company; and
- j) The Company shall not directly or indirectly purchase its Equity Shares through any subsidiary company including its own subsidiary companies or through any investment company or group of investment companies during the buyback period.

(xi) Confirmation from the Board

The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion that:

- a) Immediately following the date of the Board meeting held on November 20, 2020 , and the date on which the result of Members resolution passed by way of Postal Ballot ("**Postal Ballot Resolution**") will be declared, approving the Buyback, there will be no grounds on which the Company could be found unable to pay its debts;
- b) As regards the Company's prospects for the year immediately following the date of the Board Meeting held on November 20, 2020 approving the Buyback as well as for the year immediately following the date of Postal Ballot Resolution, and having regard to the Board's intention with respect to the management of Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting held on November 20, 2020 , as also from the date of Postal Ballot Resolution;
- c) In forming an opinion as aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities), as if the Company was being wound up under the provisions of the Companies Act, 2013/Insolvency and Bankruptcy Code, 2016 as amended from time to time, as applicable.

(xii) Report addressed to the Board of Directors by the Company's Auditors on the permissible capital payment and the opinion formed by directors regarding insolvency

The text of the Report dated November 20, 2020 of V. Sankar Aiyar & Co., the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

Independent Auditors on the proposed buyback of equity shares pursuant to requirements of Schedule I to the Securities and Exchange Board of India (Buy-Back of Securities) Regulation, 2018, as amended

To,
The Board of Directors,
IIFL Securities Limited,
Plot No. B - 23, IIFL House,
Sun Infotech Park, Road No - 16V,
Thane Industrial Area, Wagle Estate,
Thane, Maharashtra, 400604.

1. This report is issued in accordance with the terms of our engagement letter dated November 17, 2020 with IIFL Securities Limited (**"the Company"**).
2. We have been requested by the Management of the Company to provide a report on the accompanying Statement of Permissible Capital Payment (including securities premium) (Annexure A) as at March 31, 2020.
3. The Management of the Company has prepared the accompanying Annexure A – Statement of permissible capital payment as on March 31, 2020 (**"the Statement"**) pursuant to the proposed buyback of equity shares approved by the Board of Directors of the Company in their meeting held on November 20, 2020, in accordance with the provisions of sections 68, 69 and 70 of the Companies Act, 2013 as amended (**"Companies Act"**), the rules made thereunder, as amended and the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (**the "SEBI Buyback Regulations"**). The Statement contains the computation of amount of permissible capital payment towards buyback of equity shares in accordance with the requirements of section 68(2)(c) read with the proviso to section 68(2)(b) of the Companies Act, 1956, Regulation 4(i), proviso to Regulation 4(iv) and the proviso to Regulation 5(i)(b) of the SEBI Buyback Regulations and based on the latest audited standalone and consolidated financial statements for the year March 31, 2020 . We have initialed the Statement for identification purpose only.

Board of Director's Responsibility for the Statement

4. The preparation of the Statement in accordance with Section 68(2) of the Companies Act and in compliance with sections 68, 69 and 70 of the Companies Act and SEBI Buyback Regulations, is the responsibility of the Board of Directors of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and presentation; and making estimates that are reasonable in the circumstances.
5. The Board of Directors is also responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion on reasonable grounds that the Company will be able to pay its debts from the date of Board Meeting approving the buyback of its equity shares i.e. November 20, 2020 (hereinafter referred as the "date of the Board Meeting") and will not be rendered insolvent within a period of one year from the date of the Board Meeting, and in forming the opinion, it has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Companies Act or the Insolvency and Bankruptcy Code, 2016.

Auditor's Responsibility

6. Pursuant to the requirements of the SEBI Buyback Regulations, it is our responsibility to provide a reasonable assurance on whether:
 - a) we have inquired into the state of affairs of the Company in relation to the audited standalone and consolidated financial statements of the Company as of and for the financial year ended March 31, 2020;
 - b) the amount of permissible capital payment for the buyback as stated in the Statement has been properly determined considering the audited standalone and consolidated financial statements as at March 31, 2020 and in accordance with Section 68(2)(c) read with the proviso to Section 68(2)(b) of the Companies Act, Regulation 4(i), the proviso to the Regulation 4(iv) and the proviso to Regulation 5(i)(b) of the SEBI Buyback Regulations; and
 - c) the Board of Directors of the Company, in their meeting held on November 20, 2020 have formed the opinion as specified in Clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from that date.
7. The audited standalone and consolidated financial statements as of and for the financial year ended March 31, 2020 were audited by us, on which we issued an unmodified audit opinion vide our report dated May 15, 2020. We conducted our audit of these standalone and consolidated financial statements in accordance with Standards on Auditing specified under Sec 143(10) of the Companies Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("**the ICAI**"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
8. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI ("**Guidance Note**"). The Guidance

Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services engagements, issued by the ICAI.
10. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the reporting criteria mentioned in paragraph 5 above. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the Reporting Criteria. We have accordingly performed the following procedures in relation to the Statement:
 - a) We have inquired into the state of affairs of the Company in relation to its audited standalone and consolidated financial statements for the year ended March 31, 2020;
 - b) Examined authorization for buyback from the Articles of Association of the Company;
 - c) Verified the amounts of paid up equity share capital, securities premium account, general reserves and retained earnings as at March 31, 2020 as disclosed in the accompanying Statement in Annexure A with the audited standalone and consolidated financial statements of the Company for the year ended March 31, 2020.
 - d) Examined that the amount of capital payment for the buyback as detailed in Annexure A is within permissible limit computed in accordance with Section 68 of the Companies Act and the SEBI Buyback Regulations;
 - e) Examined that the ratio of the debt owed by the Company, is not more than twice the capital and its free reserves after such buyback based on both audited standalone and consolidated financial statements of the Company as on March 31, 2020;
 - f) Examined that all shares for buyback are fully paid up;
 - g) Enquired that the Company has not availed any borrowings to discharge its obligations under the Buyback;
 - h) Inquired if the Board of Directors of the Company, in its meeting held on November 20, 2020 has formed the opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of the Board Meeting; and
 - i) Obtained necessary representations from the management of the Company.

Opinion

11. Based on inquiries conducted and our examination as above and according to the information and explanations provided to us by the management of the Company, we report that:
 - a) We have inquired into the state of affairs of the Company in relation to its audited standalone financial statements and audited consolidated financial statements as at and for the year ended March 31, 2020;
 - b) The permissible capital payment towards buyback of equity shares, as stated in the Statement in Annexure A, is in our view, properly determined in accordance with Section 68(2)(c) read with the proviso to Section 68(2)(b) of the Companies Act, Regulation 4(i), the proviso to Regulation 4(iv) and the proviso to Regulation 5(i)(b) of the SEBI Buyback

Regulations, based on the audited standalone and consolidated financial statements of the Company for the year ended March 31, 2020; and

- c) The Board of directors, in their meeting held on November 20, 2020 have formed the opinion, as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of Board Meeting and we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration of insolvency is unreasonable in the circumstances as of the date of declaration.

Restrictions on Use

12. This Report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the SEBI Buyback Regulations solely to enable the Board of Directors of the Company to include in:

- i) Explanatory statement to be included in the postal ballot notice to be circularized to the shareholders;
- ii) Public Announcement to be made to the shareholders of the Company, which will be filed with (a) the Registrar of Companies as required by the SEBI Regulations (b) the National Securities Depositories Limited and the Central Depository Services (India) Limited for the purpose of extinguishment of equity shares and (c) the Authorized Dealer as appointed by the Board of Directors or committee of the Board of Directors thereof, for the purpose of capital payment;

and should not be used for any other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this Report, or Public Announcement or the postal ballot notice which includes our report, is shown or into whose hands it may come save where expressly agreed by our prior consent in writing. Further we assume no responsibility to update this report for events and circumstances occurring after the date of this report.

For V. Sankar Aiyar & Co
Chartered Accountants
Firm's Registration No: 109208W

Place: Mumbai
Date: November 20, 2020

Sd/-
G. SANKAR
Partner
Membership No 046050
UDIN: 20046050AAAAHZ8564

Annexure A – Statement of Permissible Capital Payment

(INR in Crores)

Particulars as on March 31, 2020	Amount extracted from the latest audited standalone financial statements as at March 31, 2020	Amount extracted from the latest audited consolidated financial statements as at March 31, 2020
A) Paid-up Equity Share Capital		
(31,96,09,462 equity shares of ₹2/- each fully paid up)	63.92	63.92
B) Free Reserves *		
Securities Premium Account	224.50	224.50
Surplus in Statement of Profit and Loss (Retained Earnings)**	333.91	450.52
General Reserve	0.09	41.48
Total Free Reserves (B)	558.50	716.50
Total of Paid-up Equity Share Capital and Free Reserves	622.42	780.42
Maximum amount permissible for buyback under Section 68(2)(c) of the Companies Act and Regulation 4(i) of the SEBI Buyback Regulations (25% of the total paid-up equity capital and free reserves)	155.61	195.10
Permissible capital payment for Buyback from open market in accordance with proviso to Regulation 4(iv) of the SEBI Buyback Regulations (15% of paid up capital and free reserves)	93.36	117.06
Amount proposed by Board Resolution dated November 20, 2020 approving the Buyback based on the audited financial statements for the year ended March 31, 2020	90.00	90.00

* Free reserves as defined in Section 2(43) of the Companies Act, 2013 read along with Explanation II provided in Section 68 of the Companies Act, 2013 as amended.

** Retained earnings have been computed after eliminating unrealized gains on investments valued at fair value through the statement of profit and loss amounting to Rs 25.89 Crores and Rs 26.17 Crores (net of deferred tax impact thereon) in the standalone and consolidated financial statements respectively as on March 31, 2020.

Note: The above calculation of the paid-up equity share capital and free reserves as at March 31, 2020 for buyback of equity shares is based on the amounts appearing in the audited standalone and consolidated financial statements of the Company for the year ended March 31, 2020. These financial statements are prepared and presented in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Rules made thereunder, each as amended from time to time.

For and on Behalf of IIFL Securities Limited

Sd/-

R. Venkataraman

Managing Director

DIN: 00011919

Date: November 20, 2020

Sd/-

Narendra Jain

Whole Time Director

DIN: 01984467

Date: November 20, 2020

In the opinion of the Board, the proposal for Buyback is in the interest of the Company and its Members holding equity shares of the Company. The Directors, therefore, recommend the Special Resolution as set out in the accompanying Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives is in anyway, concerned or interested, either directly or indirectly in passing of the said Resolution, save and except to the extent of their respective interest as shareholders of the Company or to the extent of the shareholding of the companies/institutions/trust of which they are directors or members or trustees, without any beneficial interest.

Item No. 3

The Company received a notice from a Member under Section 160 of the Companies Act, 2013, signifying his intention to propose the candidature of Mr. Anand Bathiya (DIN: 03084831) for the office of Independent Director of the Company. The details of Mr. Anand Bathiya in terms of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as the Listing Regulation) and Secretarial Standard-2 are provided in this Notice.

Mr. Anand Bathiya is not related to any Director of the Company. In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that Mr. Anand Bathiya fulfills the conditions specified in the Act for his appointment as an Independent Director.

Mr. Anand Bathiya has given a declaration to the Board that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the Listing Regulation. The Company has also received:- (i) the consent in writing to act as Director (ii) intimation that he is not disqualified under section 164(2) of the Companies Act, 2013 and (iii) a declaration to the effect that he is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI).

After taking into consideration the recommendation of the Nomination & Remuneration Committee, the Board is of the opinion that Mr. Anand Bathiya vast knowledge and varied experience will be of great value to the Company and has recommended the Resolution relating to the appointment of Mr. Anand Bathiya as an "Independent Director", not liable to retire by rotation for a period of five consecutive years w.e.f. September 22, 2020 upto September 21, 2025, for the your approval. The Board also has approved subject to approval of the members, the appointment of Mr. Anand Bathiya as an Additional Independent Director for a period of five consecutive years w.e.f. September 22, 2020 upto September 21, 2025

None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the Resolution, except Mr. Anand Bathiya and his relatives.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

Additional information on director recommended for appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable secretarial standards

Particulars	Mr. Anand Bathiya (DIN: 03084831)
Date of Birth	September 14, 1984
Nationality	Indian
Date of Appointment	September 22, 2020
Qualifications	B.Com., F.C.A., CS, LL.B., DISA
Expertise in specific functional areas	Anand Bathiya is an Indian citizen and a practicing Chartered Accountant with experience of working with world-leading accounting and professional consulting firms. He is a fellow member of the ICAI and has also completed the final examination of Company Secretary course. He is a Bachelor at Commerce and Bachelor at Law with a Post-graduate diploma in Securities Law from Government Law College and in Information Systems Audit from ICAI. As partner and practice-head with Bathiya & Associates LLP, Anand is engaged in advising businesses in negotiating, structuring, performing due diligence and executing domestic and international Mergers & Acquisitions (M&A) having advised more than 200 M&A transactions over the last 15 years including few of India's largest M&A transactions in recent times. Anand has enabled businesses to raise equity resources through public equity and private equity including capital market initiatives of IPOs, QIPs, rights issues, open offers, international listings, etc. Anand also specializes in advising private equity funds and families offices in formation, fund documentation, diligence and investment transaction execution. Anand is Managing Committee Member of Bombay Chartered Accountants' Association and co-opted member of a group promulgated by Valuation Standards Board for drafting Valuation Standards to be made applicable in India. He represents as independent director and audit committee chair on boards of listed companies.
Number of shares held in the Company	Nil
Directorships held in other public companies (excluding foreign companies)	1) Cinline India Limited 2) Goldcrest Corporation Limited
Attendance in number of Board Meetings eligible during the financial year 2020-21	Two of Two
Memberships/ Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders Relationship Committee in public limited companies)	Chairman and Member of Audit Committee and Stakeholders Relationship Committee of Cinline India Limited

Particulars	Mr. Anand Bathiya (DIN: 03084831)
Relationships between Directors inter-se	None
Remuneration details (Including Sitting Fees & Commission)(₹ in millions)	₹ 0.75 million

By order of the Board of Directors
For IIFL Securities Limited

Meghal Shah
Company Secretary and Compliance Officer

Date: November 20, 2020

Place: Mumbai

Email: secretarial@iifl.com

Registered Office:

IIFL House, Sun Infotech Park, Road No. 16V,
Plot No.B-23, Thane Industrial Area, Wagle Estate, Thane - 400604.