December 02, 2022

The Manager,
Listing Department,
The National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor, Plot C/1, G Block,
Bandra - Kurla Complex, Bandra (E), Mumbai 400 051.
Tel No.: 2659 8235
Fax No.: 26598237/ 26598238
NSE Symbol: IIFLSEC

Sub: Clarification /Confirmation on news item appearing in "Media/Publication"

Reference: NSE/CM/Surveillance/12551 and mail received dated December 02, 2022

Dear Sir(s)/Madam(s),

This is with reference to recent news item which appeared in the "www.thehindubusinessline.com" dated November 30, 2022 captioned "SEBI bans 5 firms for up to 6 months from applying for commodity brokerage"

It is hereby informed that the aforesaid matter relates to Securities and Exchange Board of India (SEBI) order dated November 29, 2022 against IIFL Commodities Limited (IICL) (formerly known as India Infoline Commodities Ltd), a wholly owned subsidiary, of IIFL Securities Limited, in the matter of dealings in NSEL.

In this regard it is being clarified as follows.

SEBI vide its earlier order dated February 22, 2019 had declared IICL as not a "fit and proper person" to hold, directly or indirectly, the certificate of registration as commodity derivatives broker, and rejected the application filed by IICL dated December 23, 2015 for registration as commodity derivatives broker.

The said Order was challenged by IICL before Securities Appellate Tribunal (SAT). The said Order was set aside and remanded back to hear afresh by SEBI vide SAT Order dated June 9, 2022.

Pursuant to the same, SEBI had issued fresh Show Cause Notice (SCN) in the month July, 2022. Based on the recommendation of Designated Authority (DA) Report, the Competent Authority has considered IICL written and oral submissions and differed with the recommendation of DA for debarring IICL for the period of three years from making a fresh application seeking registration with SEBI, especially considering the timeline over which the events have played out.

In the light of the above, the Competent Authority vide its Order dated November 29, 2022, debarred IICL from making a fresh application seeking registration for a period of 6 months from the date of this Order or till acquittal of IICL by Courts pursuant to the charge sheet and FIR filed by/with EOW whichever is earlier.

IICL is seeking legal advice in respect of the said Order. It is being clarified to all the stakeholders and clients that this Order has no impact on the businesses of other companies of IIFL Group.

Kindly take the same on record and oblige.

Thanking You,
Yours faithfully,

For **IIFL Securities Limited**

MEGHAL ABHISHEK SHAH
Digitally signed by MEGHAL ABHISHEK SHAH
Date: 2022.12.02 19:11:06 +05'30'

Meghal Shah
Company Secretary
Place: Mumbai