

DCS/AMAL/SD/R37/1156/2018-19

June 4, 2018

The Company Secretary
Bharat Financial Inclusion Ltd.
Unit No. 410, "Madhava", Bandra-Kurla Complex,
Bandra (East), Mumbai, Maharashtra- 400051

Sir,

Sub: Observation letter regarding the Draft Scheme of Arrangement amongst Indusind Bank Ltd, Bharat Financial Inclusion Ltd(formerly known as 'SKS Microfinance Ltd'), the proposed Wholly Owned Subsidiary of Indusind Bank Ltd and their respective shareholders and creditors.

We are in receipt of Draft Scheme of Arrangement amongst Indusind Bank Ltd, Bharat Financial Inclusion Ltd(formerly known as 'SKS Microfinance Ltd'), the proposed Wholly Owned Subsidiary of Indusind Bank Ltd and their respective shareholders and Creditors filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated June 1, 2018, has inter alia given the following comment(s) on the draft scheme of arrangement:

The matter has been examined by SEBI in light of the provisions under Part A, Annexure I of the aforesaid circular. Accordingly, SEBI's comments on the draft scheme are as under:

- "Indusind Bank Ltd is advised to finalise/decide the Capital Structure of the demerged undertaking prior to filing of the scheme with NCLT."
- "Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company."
- "Company shall duly comply with various provisions of the Circulars."
- "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."
- "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT. Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' 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.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,



Nitin Pujari
Sr. Manager

