



भारतीय प्रतिभूति
और विनियम बोर्ड
Securities and Exchange
Board of India

सहायक प्रबंधक Assistant Manager
RAC-निर्गम एवं सूचीबद्धता प्रभाग-1/RAC-Division of Issues and Listing-1
निगम वित्त विभाग/Corporation Finance Department
दूरभाष सं./Phone: +91 22 2644 9955
ई-मेल/Email: poonam@sebi.gov.in

SEBI/HO/CFD/RAC-DIL-1/P/OW/2022/52550/1
October 14, 2022

Ms. Alpana Uttam Kundu,
Company Secretary and Compliance Officer,
Kfin Technologies Limited,
Selenium, Tower-B,
Plot No. 31 & 32,
Financial District, Nanakramguda,
Serilingampally, Hyderabad,
Rangareddi, Telangana - 500032

Sub: Application for relaxation from strict enforcement of Regulation 17 of the SEBI (ICDR) Regulations, 2018 ("SEBI ICDR Regulations"), as amended, under Regulation 300(1)(c) in relation to the proposed Initial Public Offer of Kfin Technologies Limited ("the Company" or "Kfin")

Dear Ma'am,

1. This has reference to your letter dated October 1, 2022, and other correspondences in this regard, whereby, you have *inter alia* sought exemption from strict enforcement of Regulation 17 of the SEBI ICDR Regulations in relation to the imposition of the statutory lock-in of six months on the specified shares held by persons other than Promoters, comprising 14.12% of the equity share capital of the company, held by C. Parthasarathy & related entities ("CP group") in the company (hereinafter referred to as "KFIN subject shares") in view of the Enforcement Directorate (ED) orders.
2. The company and Book Running Lead Managers (BRLMs) while seeking the aforementioned exemption have, *inter-alia*, submitted as follows:
 - a. The Company has by way of a letter to the ED, dated March 26, 2022 requested the ED to issue the necessary instructions/permission to the depository (National Securities Depository Limited ("NSDL"), in this case) to allow the imposition of the statutory lock-in on the KFIN Subject Shares for the purpose of complying with the applicable provisions of the SEBI ICDR Regulations. No communication has been received by the company from ED till date.
 - b. Further, the company has submitted an undertaking as under:
 - (i) *in the event the Kfin subject shares are released from the ED Orders prior to the date of allotment of Equity shares pursuant to the Offer, such released Kfin subject shares will be locked-in, in accordance with the applicable SEBI ICDR Regulations;*

सेबी भवन, प्लॉट सं. सी 4-ए, "जी" ब्लॉक, बान्द्रा-कुर्ला कॉम्प्लेक्स, बान्द्रा (पूर्व), मुंबई - 400 051.
दूरभाष : 2644 9950 / 4045 9950 (आई.वी.आर.एस.), 2644 9000 / 4045 9000 फेक्स : 2644 9019 से 2644 9022 वेब : www.sebi.gov.in

SEBI Bhavan, Plot No. C4-A, "G" Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.
Tel.: 2644 9950 / 4045 9950 (IVRS), 2644 9000 / 4045 9000 Fax : 2644 9019 to 2644 9022 Web : www.sebi.gov.in



अनुवर्ती :
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- (ii) *in the event, the Kfin subject shares are released from ED Orders post the date of allotment of Equity shares pursuant to the Offer but within the six months lock-in period, such released Kfin subject shares will be locked-in from the date on which such Kfin subject shares are released until the remainder of the 6 months lock-in period, in accordance with the applicable SEBI ICDR Regulations.*
- c. Further, based on the letter dated Sept 24, 2022 issued by the Promoter, GASF, it has undertaken and confirmed that 89,93,314 Equity shares, which were purchased from Compar, i.e. directly or indirectly from CP/ CP group at any time in the past, aggregating to 5.37% of the pre-Offer equity share capital, (i) will not form part of the Offered Shares in the Offer for Sale; and (ii) shall be subject to lock-in for a period of 18 months, over and above the Minimum Promoter's contribution required under Regulation 14 and 16 of the SEBI ICDR Regulations.
- d. Additionally, the company has undertaken to disclose a risk factor in relation to ongoing ED proceedings against the erstwhile promoters and any adverse impact on the company and market price of equity shares pursuant to such proceedings.
- e. BRLMs have vide letter dated October 1, 2022 submitted due diligence process undertaken in respect of the exemption application.
3. Based on the circumstances of the case and the facts presented by you and confirmations/ undertakings provided by BRLMs/ Company/ Promoter, it has been decided to accede to your request (as mentioned in para 3.2 of your letter). The approval is subject to following conditions:
- a. The relaxation is granted subject to the submissions/ undertakings provided by the company and the same shall stand withdrawn if there is any change in aforesaid submissions/ undertakings. The Company and BRLMs shall ensure compliance with all undertakings submitted to SEBI.
- b. to provide suitable disclosures in the Offer documents in case KFIN subject shares are liquidated by ED at any time after issuance of this exemption letter and till equity shares are allotted by the company pursuant to the Offer.
- c. Details of the exemption are disclosed in the offer documents.
- d. This letter along with your letter dated October 1, 2022 shall be part of material contracts and documents for inspection as disclosed in the offer documents.
4. The aforesaid approval is for limited purpose of undertaking the proposed IPO. Further, the approval is specific to the present case and shall not be treated as a precedent.

Yours faithfully,


Poonam

Copy to:

Mr. Prem D' Cunha
ICICI Securities Limited, ICICI Venture House,
Appasaheb Marathe Marg, Prabhadevi,
Mumbai 400025, Maharashtra, India