

DCS/AMAL/BS/24(f)/072/2014-15

June 6, 2014

The Company Secretary
Polaris Financial Technology Limited
Polaris House, 244, Anna Salai,
Chennai Tamil Nadu - 600 006

Dear Sir / Madam,

Sub: **Observation letter regarding the Scheme of Arrangement between Polaris Financial Technology Ltd (Polaris) and Intellect Design Arena Ltd (IDAL) (WOS of Polaris)**

We are in receipt of draft Scheme of Arrangement involving demerger of Product Business Undertaking of the company into Intellect Design Arena Ltd (IDAL) (WOS of Polaris).

The Exchange has noted the confirmation given by the Company stating that the scheme does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing Agreement or the requirements of BSE Limited (BSE).

As required under SEBI Circular No.CIR/CFD/DIL/5/2013 dated May 02, 2014 & SEBI Circular No.CIR/CFD/DIL/8/2013 dated May 20, 2013; SEBI has vide its letter dated June 5, 2014 given the following comment(s) on the draft scheme of arrangement:

- ***After listing of equity shares of IDAL, at the time of exercising the option by the eligible members to receive the Non Convertible Debentures (NCD's) in lieu of equity shares of IDAL, the company to ensure compliance with Takeover Regulations and Minimum Public shareholding.***
- ***Intellect Design Arena Ltd will have to apply separately for the exemption of 19(2)(b) of the Securities Contract (Regulation) Rules, 1957***
- ***The company shall duly comply with various provisions of the Circulars.***

Accordingly, we hereby convey Exchange's 'No-objection' with limited reference to those matters having bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable you to file the scheme with the Hon'ble High Court.

Further, you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also mention the same in your application for approval of the scheme of arrangement submitted to the Hon'ble High Court.

The Exchange reserves its right to withdraw its No-objection/approval 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.

Yours faithfully,


Bhuvana Sriram
Dy. Manager


Pooja Sanghvi
Asst. Manager