



IDFC LIMITED

Corporate Identity Number: L65191TN1997PLC037415 info@idfc.com www.idfclimited.com
Registered Office: 4th floor, Capitale Tower, 555, Anna Salai, Thiru Vi Ka Kudiyiruppu, Teynampet, Chennai – 600 018 Tel: +91 44 4564 4000 Fax: +91 44 4564 4222.
Corporate Office: 906/907, 9th Floor, Embassy Centre, Jamnalal Bajaj Road, Nariman Point, Mumbai – 400021 Tel: +91 22 2282 1549.

POSTAL BALLOT NOTICE

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

NOTICE is hereby given to the Members of IDFC Limited (“IDFC” or “the Company”), pursuant to Section 108 and 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, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI LODR’), including any statutory modification or re-enactment thereof for the time being in force and Secretarial Standard on General Meetings (‘SS-2’) issued by Institute of Company Secretaries of India (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with General Circulars No.14/2020 dated April 08, 2020, No. 17/2020 dated April 13, 2020, No. 22/2020 dated June 15, 2020, No. 33/2020 dated September 28, 2020, No. 39/2020 dated December 31, 2020, No. 10/2021 dated June 23, 2021 and No. 20/2021 dated December 08, 2021 issued by the Ministry of Corporate Affairs (collectively referred to as “MCA Circulars”) to transact the following special business by the Members of IDFC by Special Resolution(s) through Postal Ballot by voting through electronic voting (‘E-voting’) only.

The Special Resolution(s) along with the Explanatory Statement, setting out material facts and reasons for passing the below mentioned Resolution(s) is being sent to you for your consideration and approval.

In terms of the MCA Circulars and in view of on-going COVID-19 pandemic scenario, companies are advised to take all decisions requiring Members’ approval, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of Postal Ballot/ E-voting in accordance with the provisions of the Act and Rules made thereunder, without holding a general meeting that requires physical presence of Members at a common venue. Further, the Company will send Postal Ballot Notice only by e-mail to all its Members who have registered their e-mail addresses with the Company, Registrars and Transfer Agents or Depository/ Depository Participants and the communication of assent/ dissent of the Members will only take place through the E-voting system. This Postal Ballot is accordingly being initiated in compliance with the above MCA Circulars.

In compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and pursuant to the provisions of Sections 108 and 110 of the Act read with the corresponding rules and the MCA Circulars, the Company is sending this Postal Ballot Notice in electronic form only and has extended only the remote e-voting facility for its Members, to enable them to cast their votes electronically instead of submitting the Postal Ballot form in physical form. The hard copy of this Postal Ballot Notice along with Postal Ballot forms and pre-paid business envelope will not be sent to the Members for this Postal Ballot. The instructions for remote e-voting are appended to this Postal Ballot Notice.

You are requested to peruse the following proposed Resolution along with Explanatory Statement and thereafter record your assent or dissent by means of E-Voting system only, provided by the Company.

Members are requested to read the instructions in the Notes under the section 'Instructions for Members for e-voting' for e-voting as per the facilities arranged by the Company. References to Postal Ballot(s) in this Postal Ballot Notice include votes received electronically.

The Company has appointed Bhandari & Associates, Company Secretaries, as the Scrutinizer, to conduct the Postal Ballot through e-voting process in a fair and transparent manner. Ms. Manisha Maheshwari (Membership No. ACS 30224 and CP. 11031), Partner and failing her, Mr. S N Bhandari (Membership No. FCS 761 and CP. 366), Partner, will represent Bhandari & Associates, Company Secretaries. The Scrutinizer will submit their report to the Managing Director & CEO of the Company after completion of scrutiny and the results of the Postal Ballot will be announced at the Corporate Office of the Company on Friday, July 08, 2022. The result of the postal ballot (including E-voting) will be displayed at the Corporate Office i.e. 906/907, 9th Floor, Embassy Centre, Jamnalal Bajaj Road, Nariman Point, Mumbai – 400021 and also at the Registered Office of the Company situated at 4th floor, Capitale Tower, 555, Anna Salai, Thiru Vi Ka Kudiyiruppu, Teynampet, Chennai – 600 018 and will be posted on the Company's website: www.idfclimited.com, besides being communicated to the Stock Exchange(s) where the securities of the Company are listed.

SPECIAL BUSINESS

1. To approve divestment/ sale/ disposal of the IDFC Asset Management Company Limited (material subsidiary of IDFC Limited) and IDFC AMC Trustee Company Limited

To consider and if thought fit, to pass, the following as **Special Resolution**:

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 (“the act”) and the Rules thereunder and Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), pursuant to applicable provisions of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (“MF Regulations”) as amended from time to time and the rules, guidelines and circulars issued by the Reserve Bank of India (“RBI”) including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the provisions of the Articles of Association of IDFC Limited (“the Company” or “IDFC”) and pursuant to the recommendation of the Board of Directors of the Company and subject to approval of any regulatory / statutory authority, institutions or bodies, as the case may be, the approval of the shareholders be and is hereby accorded for :

- i. Take note of the details of a consortium led by Bandhan Financial Holdings Limited, Lathe Investment Pte. Ltd. (GIC Private Limited ('GIC')) and Tangerine Investments Limited (ChrysCapital ('CC1')) and Infinity Partners (ChrysCapital ('CC2')) (together "Bandhan")(hereinafter referred to as "**the Purchasers**"), including details of the activities carried on by the Purchasers, the founders, corporate structure, shareholding pattern, the sponsor eligibility norms as prescribed by the Securities and Exchange Board of India ("**SEBI**"), regulatory licenses held, the infrastructure and other capabilities to act as sponsor and support carrying on mutual fund business;
- ii. Subject to the receipt of requisite regulatory approvals, hereby grants its approval to, the proposed sale of 2,67,90,450 (Two Crore Sixty-Seven Lacs Ninety Thousand Four Hundred and Fifty) Equity Shares of Re. 1/- (Rupee One) Each i.e. 99.96 % (Ninety-Nine point Nine Six percent) of the paid up share capital of the IDFC Asset Management Company Limited ("**IDFC AMC**") (comprising Mutual Fund business, AIF business and PM business) and 50,000 (Fifty Thousand) Equity Shares of Rs.10 (Rupees Ten) Each i.e. 100% (Hundred percent) of the paid up share capital of IDFC AMC Trustee Company Limited ("**IDFC AMC Trustee**"), held by IDFC Financial Holding Company Limited ("**IDFC FHCL**") and its nominees, to the Purchasers ("**Proposed Transaction**"), in accordance with the terms of the Share Purchase Agreement ("**IAMCL SPA**" and "**IATCL SPA**") entered by and among IDFC AMC, IDFC AMC Trustee, IDFC FHCL, the Purchasers and the Company;
- iii. The consideration for the Proposed Transaction will be INR 4,500 crore on a fully diluted basis and subject to customary price adjustments at the closure;
- iv. Take note of the eligibility norms as prescribed under SEBI regulations, required to be complied by the Purchasers.
- v. Take note of the execution of the IAMCL SPA and the IATCL SPA (including any other agreement, amendment, addendum, if any,) and

RESOLVED FURTHER THAT any Director of the Company or Mr. Bipin Gemani, Chief Financial Officer of the Company or Mr. Mahendra N Shah, Company Secretary of the Company be and are hereby severally authorized to sign:

- i. all other necessary documents in relation to the Proposed Transaction;
- ii. to sign, submit, furnish necessary details, confirmations, declarations and undertakings along with the Purchasers as may be required by SEBI and any other application/filings as required in this connection and under applicable laws;
- iii. all other acts, matters, things or deeds as are required to carry out necessary actionable under the IAMCL SPA and the IATCL SPA, or as may be required to consummate the said transaction and give effect to the above resolutions, and
- iv. to comply with all other requirements in relation to the Proposed Transaction including but not limited to finalizing and signing all letters, undertakings, confirmations, agreement,

applications, issuing necessary addendum and/ or notice, issuing Power of Attorney in favour of officials of the Company, if required and providing certified true copy of the aforesaid resolution as may be required to be submitted.

RESOLVED FURTHER THAT Mr. Mahendra N Shah - Company Secretary of the Company be and is hereby authorized to send intimation to the National Stock Exchange of India Limited and BSE Limited to this effect.

RESOLVED FURTHER THAT any Director of the Company or Mr. Bipin Gemani – Chief Financial Officer of the Company or Mr. Mahendra N Shah- Company Secretary of the Company be and are hereby severally authorized affixing the Common Seal of the Company on agreements/documents, arranging delivery and execution of contracts, deeds, agreements and instruments and to file the above resolution with the statutory/ regulatory authority/ies and to do all such act, deeds and things to give effect to the above resolution.”

By Order of the Board of Directors

Mumbai, May 20, 2022

**Mahendra N Shah
Company Secretary**

Notes:

1. An Explanatory Statement pursuant to Section 102 read with Section 110 of the Companies Act, 2013 and read with the Companies (Management and Administration) Rules, 2014, setting out the material facts and reasons for the resolution in respect of the business set out in this Notice is annexed hereto. A copy of the Postal Ballot Notice is also available on the Company's website www.idfclimited.com, on Company's Registrar and Share Transfer Agent ('RTA') viz. KFin Technologies Limited ('KFIN') E-voting website <https://evoting.kfintech.com> and at the relevant sections of the websites of the Stock Exchanges on which the shares of the Company are listed.
2. Members who have not registered their e-mail addresses with either the Company's RTA or their Depository participant (DP) are requested to register the same with the RTA at the link <https://ris.kfintech.com/clientservices/postalballot/registration.aspx>, for procuring user id and password and registration of e-mail ids for E-voting for the resolution set out in this Postal Ballot Notice.
3. In compliance with the provisions of Section 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), SS-2 and the provisions of the Ministry of Corporate Affairs Circulars, and any amendments thereto, the Company is providing facility for voting by E-voting to all the Members of the company to enable them to cast their votes electronically on the items mentioned in the Notice. For this purpose, the company has engaged the services of its RTA viz. KFin Technologies Limited and have made necessary arrangements with RTA to facilitate E-voting. In terms of the MCA Circulars, voting can be done only by E-voting. The Members are strongly advised to use the E-voting procedure by themselves and not through any other person/ proxies.
4. The Portal for E-voting will remain open for the Members for exercising their voting from **Wednesday, June 08, 2022 at 09:00 a.m.** India Standard Time ('IST') till **Thursday, July 07, 2022 at 05:00 p.m.** (IST) both days inclusive. The E-voting needs to be exercised by 05:00 p.m. (IST) on Thursday, July 07, 2022. Please note that E-voting module will be disabled for voting by RTA KFin Technologies Limited after the said date and time. During this period, the Members of the Company holding shares either in physical form or dematerialised form, as on **Monday, May 30, 2022 ('cut-off date')**, may cast their vote electronically. Once vote on the resolution is cast by the Member, he/ she shall not be allowed to change it subsequently or cast the vote again.
5. The resolution, if passed by the requisite majority, shall be deemed to have been passed on the last date specified by the Company for E-voting i.e. **Thursday, July 07, 2022**. Further, resolution passed by the Members through E-voting are deemed to have been passed effectively at a general meeting.
6. The Postal Ballot Notice is being sent by e-mail to all the Members, whose name appears on the Register of Members/ List of Beneficial Owners maintained by the Depositories as on cut-off date i.e. **Monday, May 30, 2022** and who have registered their e-mail addresses in respect of electronic holdings with the Depositories through the concerned Depository Participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agent i.e. KFin Technologies Limited. Each Member's voting rights shall be in proportion to his/ her share of the Paid-Up Equity Share Capital of the Company as on cut-off date, which will only be considered for voting.

7. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
8. The Board of Directors has appointed Bhandari & Associates, Company Secretaries, as the Scrutinizer, to conduct the Postal Ballot through e-voting process in a fair and transparent manner. Ms. Manisha Maheshwari (Membership No. ACS 30224 and CP. 11031), Partner and failing her, Mr. S N Bhandari (Membership No. FCS 761 and CP. 366), Partner, will represent Bhandari & Associates, Company Secretaries.
9. The Scrutinizer shall after completion of scrutiny submit her report to the Managing Director & CEO of the Company or a person authorised by him, who shall countersign the same. The Scrutinizer's decision on the validity of E-voting will be final. The results of the Postal Ballot will be announced on or before Friday, July 08, 2022. The results of the Postal Ballot will be posted on the Company's website www.idfclimited.com and on KFIN's E-voting website <https://evoting.kfintech.com> and will also be communicated to the Stock Exchanges where the Company's shares are listed. The Company will also display the results of the Postal Ballot at its Corporate Office and Registered Office.
10. All the material documents referred in the Explanatory Statements, shall be available for inspection through electronic mode, basis the request being sent by members on info@idfc.com mentioning their name, Folio no. / Client ID and DP ID, and the documents they wish to inspect, with a self-attested copy of their PAN card attached to the email.
11. Dispatch of the Notice shall be deemed to be completed on the day on which KFIN or the Company sends out the communication for the Postal Ballot process by e-mail to the Members of the Company.
12. As required by Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 read with the MCA Circulars and the Listing Regulations, the details pertaining to this Postal Ballot will be published in one English national daily newspaper circulating throughout India (in English language) and one Tamil daily newspaper circulating in Chennai (in vernacular language, i.e. Tamil).

To support the "Green Initiative" Members who have not registered their e-mail addresses so far are requested to register their e-mail address with the Company's RTA or the Depository Participants, in respect of shares held in physical/ electronic mode respectively.

13. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by sending the in ISR-1 form duly filled and signed, mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (e.g.: Driving License, Election Identity Card, Passport etc.) in support of the address of the Member. Members holding shares in dematerialised mode are requested to register/ update their email addresses with relevant depository participants.

14. The instructions for Members for e-voting are as under:

e-Voting procedure for Individual shareholders holding securities in Demat:

As per the SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Method of Login for individual shareholders holding the securities in demat mode directly from the website of depositories:

NSDL	CDSL
<p>1. <u>User already registered for IDeAS facility:</u></p> <ol style="list-style-type: none"> I. URL: https://eservices.nsdl.com II. Click on the “Beneficial Owner” icon under ‘IDeAS’ section. III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”. IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. <p>2. <u>User not registered for IDeAS e-Services</u></p> <ol style="list-style-type: none"> I. To register click on link: https://eservices.nsdl.com II. Select “Register Online for IDeAS” III. Proceed with completing the required fields. <p>3. <u>User not registered for IDeAS e-Services</u></p> <ol style="list-style-type: none"> I. To register click on link: https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp ii. Proceed with completing the required fields. <p>4. <u>By visiting the e-Voting website of NSDL</u></p> <ol style="list-style-type: none"> I. URL: https://www.evoting.nsdl.com/ II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section. III. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. 	<p>1. <u>Existing user who have opted for Easi / Easiest</u></p> <ol style="list-style-type: none"> I. URL: https://web.cdslindia.com/myeasi/home/login <p style="text-align: center;">or</p> <p>URL: www.cdslindia.com</p> <ol style="list-style-type: none"> II. Click on New System Myeasi III. Login with user id and password. IV. Option will be made available to reach e-Voting page without any further authentication. V. Click on e-Voting service provider name to cast your vote. <p>2. <u>User not registered for Easi/Easiest</u></p> <ol style="list-style-type: none"> I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. <p>3. <u>By visiting the e-Voting website of CDSL</u></p> <ol style="list-style-type: none"> I. URL: www.cdslindia.com II. Provide demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. <p>After successful authentication, user will be provided links for the respective ESP where the e- Voting is in progress.</p>

<p>IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.</p> <p>Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>	
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Method of Login for individual shareholders holding the securities in demat mode through their depository participants:

Shareholders can also login using the login credentials of their demat account through Depository Participant registered with NSDL/CDSL for e-Voting facility. Once logged in, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important Note:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forgot Password option available at above mentioned website.

For technical Assistance

Members facing any technical issue in login can contact the respective helpdesk by sending a request on the email id's or contact on the phone no's provided below:

NSDL	CDSL
Email: evoting@nsdl.co.in	Email: helpdesk.evoting@cdslindia.com
Toll free no.'s: 1800 1020 990 1800 22 44 30	Phone No: 022- 23058738 022-23058542-43

e-Voting procedure for Institutional Shareholders and shareholders holding securities in Physical form:

In compliance with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) and Section 108,110 and other applicable provisions of the Companies Act, 2013 read with the relevant Rules, the Company is pleased to provide e-voting facility to all its shareholders holding securities in physical form and to the Institutional Shareholders, to enable them to cast their votes electronically. The Company has engaged the services of KFin Technologies Limited for the purpose of providing e-voting facility to all its members.

- i. The details of the process and manner for e-voting are given below:
 - a. Initial password is provided in the body of the email.
 - b. Launch internet browser and type the URL: <https://evoting.kfintech.com> in the address bar.
 - c. Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No./ DP ID Client ID will be your User ID. However, if you are already registered with M/s KFin Technologies Limited for e-voting, you can use your existing User ID and password for casting your votes.
- ii. After entering the details appropriately, click on LOGIN.

iii. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (09) and a special character (@,#,\$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

iv. You need to login again with the new credentials.

v. On successful login, the system will prompt you to select the EVENT i.e. IDFC Limited – ‘6610’.

vi. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click ‘FOR’/ ‘AGAINST’ as the case may be or partially in ‘FOR’ and partially in ‘AGAINST’, but the total number in ‘FOR’ and/or ‘AGAINST’ taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option ‘ABSTAIN’ and the shares held will not be counted under either head.

vii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat account.

viii. Cast your votes by selecting an appropriate option and click on ‘SUBMIT’. A confirmation box will be displayed. Click ‘OK’ to confirm, else ‘CANCEL’ to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

ix. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory (ies) who is/are authorised to vote, to the Scrutinizer at e-mail at manisha.maheshwari@anbglobal.com with a copy marked to evoting@kfintech.com and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format ‘**CLIENT EVENT No 6610**’

x. For Members who have not registered their email addresses, kindly register the same and their mobile numbers at the link <https://ris.kfintech.com/clientservices/postalballot/registration.aspx> as the postal ballot form and any other documents will not be sent to them in physical mode. The same shall be sent only by email, in view of the COVID-19 (Corona virus) pandemic and the Applicable Circulars.

xi. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual available at the ‘download’ section of <https://evoting.kfintech.com> or call KFin on 1800 309 4001 (toll free).

ANNEXURE TO NOTICE

Statement pursuant to Section 102 (1) of the Companies Act, 2013 setting out all material facts:

Item 1

IDFC Asset Management Company Limited (“IDFC AMC”) (CIN: U65993MH1999PLC123191) is an unlisted public company, a Company incorporated on December 20, 1999 under the Companies Act, 1956, having its Registered Office at 6th floor, Tower 1C, 841, One World Center Jupiter Mill, Senapati Bapat Marg Mumbai - 400013, India is a Material subsidiary of the IDFC Limited (“IDFC” or “the Company”).

The current issued, subscribed and paid-up equity share capital of IDFC AMC is Rs. 2,68,02,120 /- (Rupees Two Crore Sixty-Eight Lacs Two Thousand One Hundred and Twenty Only) consisting of 2,68,02,120 equity shares of Re.1 (Rupees One) out of which 2,67,90,450 (Two Crore Sixty-Seven Lacs Ninety Thousand Four Hundred and Fifty) Equity Shares of Re. 1 (Rupees One) Each held by IDFC Financial Holding Company Limited (IDFC FHCL) and its nominees.

IDFC AMC Trustee Company Limited (“IDFC AMC Trustee”) (CIN: U69990MH1999PLC123190) is an unlisted public company, a Company incorporated on December 20, 1999 under the Companies Act, 1956, having its Registered Office at 6th floor, Tower 1C, 841, One World Center Jupiter Mill, Senapati Bapat Marg Mumbai - 400013, India is a wholly owned subsidiary of the IDFC.

The current issued, subscribed and paid-up equity share capital of IDFC AMC Trustee is Rs. 5,00,000/- (Rupees Five Lacs Only) consisting of 50,000 (Fifty Thousand) equity shares of Rs.10 (Rupees Ten) Each held by IDFC FHCL and its nominees.

The Board of Directors (‘the Board’) of IDFC at its meeting held on April 06, 2022 have entered into a definitive agreement to sell its entire equity stake in IDFC AMC and IDFC AMC Trustee, held by IDFC FHCL to a consortium comprising Bandhan Financial Holdings Limited (“BFHL”), Lathe Investment Pte. Ltd. (GIC Private Limited (“GIC”)) and Tangerine Investments Limited (ChrysCapital (“CC1”)) and Infinity Partners (ChrysCapital (“CC2”)) for a consideration of INR 4,500 crore on a fully diluted basis and subject to customary price adjustments at the closure and subject to receipt of necessary regulatory approvals. The necessary applications have been made to concerned authorities/regulators.

The agreement envisages continuity of the current management team and investment processes at IDFC AMC, helping unitholders benefit from consistency in the high-quality investment approach IDFC AMC is reputed for. This will be supplemented well by Bandhan’s brand as well as GIC’s and CC’s international network and experience which will aid IDFC AMC in further cementing its position in the asset management industry and propel further growth.

IDFC (CIN: L65191TN1997PLC037415) is a public limited company listed on the Bombay and National Stock Exchanges (“BSE” and “NSE” respectively). It is a Non-Banking Financial Company within the meaning assigned to it in clause (f) of section 45-I of the Reserve Bank of India Act, 1934. The Company in turn is 100% held by public shareholders with no identified promoter group with the Government of India being its largest shareholder.

IDFC FHCL (CIN: U65900TN2014PLC097942) is public limited company and Non-operating Financial Holding Company pursuant to the Reserve Bank of India (“RBI”) “Guidelines for Licensing of New Banks in the Private Sector”. IDFC FHCL is wholly-owned subsidiary of IDFC Limited. IDFC holds shares of the

IDFC AMC and IDFC AMC Trustee through IDFC FHCL to comply with the requirements of the RBI “Guidelines for Licensing of New Banks in the Private Sector”.

IDFC AMC Established in 2000, manages over Rs. 1,15,000 crore of Asset Under Management (AUM) at the end of March 31, 2022 for over 1 million investor folios representing leading institutions, corporates, family offices and individual clients. IDFC AMC is India’s 9th largest asset manager by AUM, with a seasoned investment team and deep, on-the-ground presence in over 50+ cities and investors in 750+ cities and towns across the country.

IDFC AMC Trustee through its Board of Directors, discharge its obligation as Trustee of the IDFC AMC. The IDFC AMC Trustee ensures that the transactions entered into by the IDFC AMC are in accordance with the SEBI Regulations and also review activities carried on by the IDFC AMC.

Bandhan Financial Holdings Limited (“BFHL”) (CIN: U67190WB2014PLC204317) is wholly owned subsidiary of Bandhan Financial Services Limited (BFSL), a Non-Banking Finance Company – Core Investment Company (“NBFC CIC”). Incorporated in 2014, BFHL is the promoter and an associate company of Bandhan Bank Limited (“Bandhan Bank”) and is registered with the Reserve Bank of India (“RBI”) under the 2013 Licensing Guidelines, as an NBFC categorized, as a Non-Operative Financial Holding Company (“NOFHC”). Presently, BFHL holds ~40% stake in Bandhan Bank.

GIC is a leading global investment firm established in 1981. As the manager of Singapore’s foreign reserves, GIC takes a long-term, disciplined approach to investing, and is uniquely positioned across a wide range of asset classes and active strategies globally. These include listed equities, fixed income, real estate, private equity, venture capital, and infrastructure. The firm’s long-term approach, multi-asset capabilities, and global connectivity enables it to be an investor of choice. Headquartered in Singapore, it has a global talent force of over 1,800 people in 10 key financial cities and has investments in over 40 countries.

ChrysCapital (“CC Group”) Established in 1999, the CC group manages around US\$5 billion across nine funds and is one of the leading investment firms based out of India. With ~100 investments since 1999, the CC group has valuable experience in investing across a breadth of sectors. The firm has been one of the most active private equity investors in the financial services sector in India with over 15 investments including Axis Bank, AU Bank, Bajaj Finance, Hero Fincorp, Mahindra & Mahindra Financial Services, Shriram Transport and National Stock Exchange of India.

In pursuit of creating maximum value for shareholders, over the last few years the Board of IDFC has been focused on cleaning up the corporate structure of the IDFC Group. The Board is strongly committed and very focused on creating maximum value for shareholders in a reasonable period of time. Towards this goal, the Boards of IDFC, IDFC FHCL and IDFC FIRST Bank have approved in principle to merge IDFC and IDFC FHCL with IDFC FIRST Bank in their respective meetings held on December 30, 2021 post further simplification of corporate structure and divestment of IDFC AMC and IDFC AMC Trustee. The restructuring of IDFC group solely depends on the divestment of IDFC AMC and IDFC AMC Trustee.

The director and any other key managerial personnel (KMP) of BFHL, GIC and CC Group are not related to IDFC/ group companies.

Pursuant to Regulation 16(C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”) “material subsidiary” shall mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

Pursuant to Regulation 24 of SEBI LODR, listed entity shall not dispose of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than 50% (fifty per cent) or cease the exercise of control over the subsidiary without passing a special resolution in its General Meeting except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/Tribunal, or under a resolution plan duly approved under section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

IDFC AMC is a material subsidiary of the Company as defined under Regulation 16 of SEBI LODR. Moreover, as per terms and conditions of the definitive agreements pertaining to the Proposed Transaction, the divestment of IDFC AMC and IDFC AMC Trustee requires approval of the shareholders of the Company by way of special resolution. The transaction does not fall within the ambit of Related Party Transactions.

The directors and KMP of the company are holding less than two per cent. of the paid-up share capital of company.

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.

The Board of Directors accordingly recommends passing of the Special Resolution as contained in the Notice for your approval.

None of the Directors, KMPs or their relatives are in any way, financially or otherwise, directly or indirectly, concerned or interested, in the proposed resolution.

By Order of the Board of Directors

Mumbai, May 20, 2022

**Mahendra N Shah
Company Secretary**