IDFC FIRST Bank

IDFCFIRSTBANK/SD/294/2020-21 **February 19, 2021**

The Manager-Listing Department
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051.
Tel No.: 022 – 2659 8237/ 38
NSE – Symbol: IDFCFIRSTB

The Manager-Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400 001.
Tel No.: 022 – 2272 2039/ 37/3121
BSE- Scrip Code: 539437

Sub: Notice of Postal Ballot

Ref.: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('SEBI Listing Regulations')

Dear Sir / Madam,

We wish to inform that IDFC FIRST Bank Limited (the '**Bank**') is seeking approval of its Members in respect of the following matter to be passed through Postal Ballot, by way of remote electronic voting ('**E-voting**') only:

Item No.	Business to be transacted through Postal Ballot – Special Resolution
1	To approve Raising of Capital through issuance of Equity Shares and/or other Equity-linked Securities

In this regard, please find enclosed a copy of Postal Ballot Notice dated February 18, 2021 together with the Explanatory Statement.

In compliance with General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 39/2020 dated December 31, 2020, issued by Ministry of Corporate Affairs of India ('**MCA Circulars**'), this Postal Ballot Notice is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Depositories and whose names are recorded in the Register of Members maintained by the Bank's Registrar and Share Transfer Agent ('**RTA'**) i.e. KFin Technologies Private Limited ('**KFIN**') or in the Register of Beneficial Owners maintained by the Depositories as on the **Cut-off date** i.e. **Friday, February 12, 2021**. The communication of the assent or dissent of the Members would only take place through E-voting.

The Bank has engaged the services of KFIN to provide E-voting facility to its Members. The E-voting period commences from **9.00 a.m. (IST) on Saturday, February 20, 2021** and ends at **5.00 p.m. (IST) on Sunday, March 21, 2021**. The result of the voting will be announced on or before **Tuesday, March 23, 2021.**

The said Postal Ballot Notice will also be made available on the website of the Bank at www.idfcfirstbank.com.

Please take the above on record and acknowledge receipt of the same.

Thanking you,

Yours faithfully,
For **IDFC FIRST Bank Limited**

SATISH ASHOK GAIKWAD

Digitally signed by SATISH ASHOK GAIKWAD
Date: 2021.02.19 22:14:25 +05'30'

Satish Gaikwad
Head – Legal & Company Secretary

IDFC FIRST Bank Limited

CIN: L65110TN2014PLC097792

Website: www.idfcfirstbank.com **E-mail:** bank.info@idfcfirstbank.com
Registered Office: KRM Towers, 7th Floor, No. 1 Harrington Road, Chetpet, Chennai - 600 031, Tamil Nadu, India
Tel: + 91 44 4564 4000 **Fax:** +91 44 4564 4022
Corporate Office: Naman Chambers, C-32, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India
Tel: + 91 22 7132 5500 **Fax:** +91 22 2654 0354

NOTICE OF POSTAL BALLOT

(Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 and the MCA Circulars (as defined below)

To
The Members of **IDFC FIRST Bank Limited**,

NOTICE is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013, (the '**Companies Act**'), read with Rule 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 Listing Regulations**'), Secretarial Standard issued by Institute of Company Secretaries of India on General Meetings ('**SS-2**'), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and 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 and No. 39/2020 dated December 31, 2020 issued by the Ministry of Corporate Affairs (the '**MCA Circulars**') and other applicable laws and regulations, if any, that the resolution appended herewith below for raising of capital through issuance of equity shares and/or equity linked securities is proposed to be passed as Special Resolution by the shareholders ('**Members**') of IDFC FIRST Bank Limited (the '**Bank**' or '**IDFC FIRST Bank**') through Postal Ballot, only by way of remote electronic voting ('**E-voting**').

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 Companies Act and Rules made thereunder, without holding a general meeting that requires physical presence of Members at a common venue. Further, the Bank will send Postal Ballot Notice only by e-mail to all its Members who have registered their e-mail addresses with the Bank, their 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 the requirements of the MCA Circulars, hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope will not be sent to the Members for this Postal Ballot.

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 Bank.

Special Business

Resolution No. 1:

To Approve Raising of Capital through Issuance of Equity Shares and/or other Equity Linked Securities

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

"RESOLVED THAT pursuant to the provisions of Section 23, 41, 42, 62 and other applicable provisions, if any, of the Companies Act, 2013, read with the rules framed thereunder including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, and other relevant rules, **(the 'Companies Act'),** in accordance with the guidelines, rules and regulations of the Securities and Exchange Board of India, including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('**SEBI ICDR Regulations**'), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**SEBI Listing Regulations**'), the uniform listing agreement entered into by the Bank with the stock exchanges on which the equity shares having face value of ₹ 10/- each of the Bank ('**Equity Shares**') are listed, the Banking Regulation Act, 1949, the Master Directions – Issue and Pricing of Shares by Private Sector Banks, Directions, 2016, the Master Directions – Ownership in Private Sector Banks, Directions, 2016, the

Master Directions – Prior Approval for acquisition of shares or voting rights in Private Sector Banks, Directions, 2015, the provisions of Foreign Exchange Management Act, 1999 and rules and regulations framed there under, including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Foreign Exchange Management (Transfer or Issue of Foreign Security) Regulations, 2004, the current Consolidated Foreign Direct Investment ('**FDI**') Policy issued by the Department of Industrial Policy and Promotion, (including any statutory modification(s) thereto or re-enactment thereof for the time being in force for all the aforesaid regulations) and such other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued/ to be issued thereon by the Government of India, Ministry of Corporate Affairs ('**MCA**'), Securities and Exchange Board of India ('**SEBI**'), Reserve Bank of India ('**RBI**'), BSE Limited and National Stock Exchange of India Limited ('**Stock Exchanges**'), Registrar of Companies ('**RoC**'), the Government of India ('**GOI**') and / or any other competent authorities, whether in India or abroad (hereinafter referred to as '**Applicable Regulatory Authorities**') and in accordance with the provisions of the Memorandum and Articles of Association of the Bank and subject to such approvals, permissions, consents and sanctions as may be necessary or required from the Applicable Regulatory Authorities or lenders of the Bank in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and/or sanctions, which may be agreed to by the Board of Directors of the Bank (hereinafter referred to as the '**Board**' which term shall deem to include 'Capital Raising Committee' or such other Committee which the Board has constituted or may constitute to exercise one or more of its powers, including the powers conferred by this resolution), the consent, authority and approval of the Members be and is hereby accorded to the Board and the Board be and is hereby authorised, to create, offer, issue and allot (including with provisions for reservations on firm and/or competitive basis, or such part of issue and for such categories of persons as may be permitted) such number of Equity Shares, and/or any other equity linked securities of the Bank or other eligible securities convertible into or exchangeable for Equity Shares or non-convertible debentures with or without warrants with a right exercisable by the warrant holder to exchange the said warrants for Equity Shares at a later date (hereinafter referred to as '**Equity Shares**' or other '**Eligible Securities**', respectively), through one or more of the permissible modes including but not limited to private placement, follow-on public offering ('**FPO**') and/or qualified institutions placement ('**QIP**') in accordance with the SEBI ICDR Regulations, or a combination thereof, to any eligible investors in Indian Rupees or its equivalent of any other foreign currencies (whether or not such investors are Members of the Bank, to all or any of them, jointly or severally), for cash, in one or more tranches, for an aggregate amount of up to ₹ 3,000 crore (Rupees Three Thousand Crore) (inclusive of such discount or premium to market price or prices permitted under applicable law), on such other terms and conditions as may be mentioned in the prospectus and/or offer document and/or placement document to be issued by the Bank in respect of the Issue, as permitted under applicable laws and regulations, at such price, in such manner, and on such terms and conditions as may be deemed appropriate by the Board in its absolute discretion, considering the prevailing market conditions and/or other relevant factors, and wherever necessary, in consultation with the book running lead managers and/or other advisors appointed by the Bank and the terms of the issuance as may be permitted by Applicable Regulatory Authorities ('**Issue**').

RESOLVED FURTHER THAT in case of issue and allotment of Equity Shares or other Eligible Securities by way of QIP in terms of Chapter VI of the SEBI ICDR Regulations:

(i) the allotment of Securities shall only be to qualified institutional buyers as defined in the SEBI ICDR Regulations (**'QIBs'**);

(ii) the allotment of the Equity Shares or other Eligible Securities, shall be completed within 365 days from the date of the special resolution of the Members of the Bank or such other time as may be allowed under the SEBI ICDR Regulations from time to time;

(iii) in case of allotment of Equity Shares, the relevant date for the purpose of pricing of the Equity Shares to be issued, shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares, subject to applicable laws, rules, regulations and guidelines in relation to the proposed issue of the Equity Shares and in case of allotment of Eligible Securities, either the date of the meeting in which the Board of the Bank decides to open the issue of such Eligible Securities or the date on which the holders of such Eligible Securities become entitled to apply for the Equity Shares, as may be determined by the Board;

(iv) it shall be at such price which is not less than the price determined in accordance with Regulation 176 provided under Chapter VI of the SEBI ICDR Regulations (the **'QIP Floor Price'**). The Board may, however, at its absolute discretion in consultation with the book running lead managers, issue Equity Shares at a discount of not more than 5% or such other discount as may be permitted under applicable regulations to the QIP Floor Price;

(v) no single allottee shall be allotted more than fifty per cent of the Issue size and the minimum number of allottees shall be as per the SEBI ICDR Regulations;

(vi) Equity Shares or Eligible Securities allotted pursuant to the Issue shall not be sold for a period of 1 year from the date of allotment, except on a recognized Stock Exchange or except as may be permitted from time to time by the SEBI ICDR Regulations; and

(vii) any subsequent QIP shall not be issued until the expiry of two weeks from the date of the prior QIP made pursuant to this special resolution.

RESOLVED FURTHER THAT the price determined for the QIP shall be subject to appropriate adjustments as per the provisions of the SEBI ICDR Regulations, if required.

RESOLVED FURTHER THAT the Equity Shares created, issued, offered and/or to be allotted upon conversion of any Eligible Securities or as may be necessary in accordance with the terms of the Issue, shall be subject to the provisions of Memorandum and Articles of Association of the Bank and shall rank *pari passu* in all respects including entitlement to dividend, voting rights or otherwise with the existing Equity Shares of the Bank in all respects as may be provided under the terms of issue and in accordance with the placement document(s).

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforementioned Equity Shares or other Eligible Securities may have such features or attributes or any terms or combination of terms in accordance with international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of dividend, issue of additional Equity Shares, variation of the conversion price or period of conversion of Eligible Securities during the duration of the Eligible Securities and the Board be and is hereby authorized, in its absolute discretion, in such manner, as it may deem fit, to dispose-off such of the Equity Shares or other Eligible Securities that are not subscribed.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Eligible Securities or Equity Shares on conversion of Eligible Securities, the Board is authorised to seek listing of any or all of such Eligible Securities or Equity Shares as the case may be, on one or more Stock Exchange(s).

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity Shares or other Eligible Securities, the Board thereof be and is hereby authorized on behalf of the Bank to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, determining terms and conditions for issuance of Equity Shares or other Eligible Securities including the number of such Equity Shares or other Eligible Securities that may be offered in domestic and international markets and proportion thereof, issue price and discounts permitted under applicable law, timing for issuance of such Equity Shares or other Eligible Securities and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, entering into and executing arrangements for managing, marketing, listing, trading and entering into and executing arrangements with book running lead managers, lead managers, legal advisors, depository, custodian, registrar, escrow agent and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalize, approve and issue any document(s) or agreement(s) including but not limited to placement document and filing such documents (in draft or final form) with any Indian or foreign regulatory authority or Stock Exchanges and sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Bank to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Equity Shares or other Eligible Securities and take all steps which are incidental and ancillary in this connection, including in relation to utilization of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the approval of the Members of the Bank be and is hereby accorded to the Board and the Board be and is hereby authorized to approve, finalise, execute, ratify, and/or amend/modify agreements and documents, including any power of attorney, lock up letters, and agreements in connection with the appointment of any intermediaries and/ or advisors (including for marketing, listing, trading and appointment of book running lead managers, legal counsel, bankers, advisors, consultants, underwriters, depositories, custodians, registrars, trustees, and other professionals or intermediaries as required) and to pay any fees, commission, brokerage, costs, charges and other expenses in connection therewith.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to 'Capital Raising Committee' or such other Committee of Directors or any Director(s) or Officer(s) of the Bank in such manner as it may deem fit in its absolute discretion with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purpose of the issue and allotment of securities and settle any questions or difficulties that may arise in connection with the aforesaid resolution.

RESOLVED FURTHER THAT a copy of the above resolution, certified to be true by any of the Directors or the Company Secretary or Chief Financial Officer of the Bank, signed physically or by digital means, be forwarded to the authorities concerned for necessary action."

By order of the Board of Directors of
IDFC FIRST Bank Limited

Date: **February 18, 2021**
Place: **Mumbai**

Satish Gaikwad
Head - Legal & Company Secretary

NOTES:

1. An Explanatory Statement pursuant to Section 102 and 110 of the Companies Act, 2013 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 above is annexed hereto. A copy of the Postal Ballot Notice is also available on the Bank's website www.idfcfirstbank.com, on Bank's Registrar and Share Transfer Agent ('RTA') viz. KFin Technologies Private 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 Bank are listed.

2. Members who have not registered their e-mail addresses with either the Bank's RTA or their Depository participant (DP) are requested to register the same with the RTA in accordance with the process specified herein below at point no. 13B, 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. The Portal for E-voting will remain open for the Members for exercising their voting from **Saturday, February 20, 2021** at **09:00 a.m.** India Standard Time ('**IST**') till **Sunday, March 21, 2021** at **05:00 p.m. (IST)** both days inclusive. The E-voting needs to be exercised by 05:00 p.m. (IST) on **Sunday, March 21, 2021**. Please note that E-voting module will be disabled for voting by RTA KFin Technologies Private Limited after the said date and time. During this period, the Members of the Bank holding shares either in physical form or dematerialised form, as on **Friday, February 12, 2021** ('**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.

4. The resolution, if passed by the requisite majority, shall be deemed to have been passed on the last date specified by the Bank for E-voting i.e. **Sunday, March 21, 2021**. Further, resolution passed by the Members through E-voting are deemed to have been passed effectively at a general meeting.

5. 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. **Friday, February 12, 2021** 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 Bank's Registrar and Share Transfer Agent i.e. KFin Technologies Private Limited. Each Member's voting rights shall be in proportion to his/ her share of the Paid-Up Equity Share Capital of the Bank as on cut-off date, subject to the provisions of the Banking Regulation Act, 1949, as amended, which will only be considered for voting.

6. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

7. The Board of Directors has appointed Ms. Manisha Maheshwari, Practising Company Secretary [Membership No. ACS 30224 and CP: 11031] of M/s. Bhandari & Associates, Company Secretaries, as Scrutinizer for conducting Postal Ballot process in a fair and transparent manner. In case of any failure/ inability to scrutinize E-voting by Ms. Manisha Maheshwari, Mr. S. N. Bhandari, Practising Company Secretary [Membership No. FCS. 761 and CP: 366] of M/s. Bhandari & Associates, Company Secretaries shall be alternate Scrutinizer to her.

8. The Scrutinizer shall prepare Scrutinizer's Report on the total votes cast in favour or against or abstained, if any. The Scrutinizer will submit her/ his report to the Managing Director & Chief Executive Officer of the Bank or any person authorized by her/ him, after completion of scrutiny of votes received through E-voting. The results of the Postal Ballot will be announced on or before **Tuesday, March 23, 2021**. The results of the Postal Ballot will be posted on the Bank's website www.idfcfirstbank.com and on KFIN's E-voting website https://evoting.kfintech.com and will also be communicated to the Stock Exchanges where the Bank's shares are listed. The Bank will also display the results of the Postal Ballot at its Corporate Office and Registered Office.

9. All the documents referred to in this Notice and the Statement pursuant to Section 102 of the Companies Act, 2013, will be posted on the Bank's website www.idfcfirstbank.com to facilitate online inspection of relevant documents until last date of E-voting of this Postal Ballot i.e. **Sunday, March 21, 2021**.

10. Dispatch of the Notice shall be deemed to be completed on the day on which KFIN or Bank sends out the communication for the Postal Ballot process by e-mail to the Members of the Bank.

11. 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 Bank's RTA or the Depository Participants, in respect of shares held in physical/ electronic mode respectively.

12. 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 Regulations, SS-2 and the provisions of the Ministry of Corporate Affairs Circulars, and any amendments thereto, the Bank is providing facility for voting by E-voting to all the Members of the

Bank to enable them to cast their votes electronically on the items mentioned in the Notice. For this purpose, the Bank has engaged the services of its RTA viz. KFin Technologies Private 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. As the E-voting does not require a person to attend to a meeting physically, the Members are strongly advised to use the E-voting procedure by themselves and not through any other person/ proxies. The detailed procedure with respect to E-voting is as follows.

13. **Voting through electronic means:**

The instructions and other information relating to E-voting are as under:

A. **In case a Member receives an e-mail from KFIN [for Members whose e-mail IDs are registered with the Bank/ Depository Participant(s)]:**

i. Launch internet browser by typing the URL: https://evoting.kfintech.com

ii. Enter the login credentials (i.e. User ID and Password provided in the e-mail). Your Folio No./ DP ID-Client ID will be your User ID. However, if you are already registered with KFIN for E-voting, you can use your existing User ID and Password for casting your vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach 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 (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail id, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

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

vi. On successful login, the system will prompt you to select the "EVEN". Please select EVEN of IDFC FIRST Bank Limited.

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

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

ix. You may then cast your vote by selecting an appropriate option and click on "Submit".

x. A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify. Once you confirm, you will not be allowed to modify or change the votes casted.

xi. Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail id: bhandariandassociates@gmail.com with a copy marked to evoting@kfintech.com and secretarial@idfcfirstbank.com. The scanned image of the above mentioned documents should be in the naming format "IDFCFIRST_5828". The documents should reach the Scrutinizer on or before **Sunday, March 21, 2021** by 05:00 p.m. (IST) at KFin Technologies Private Limited [Unit: IDFC FIRST Bank Limited], Selenium Tower B, Plot 31 & 32, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, Telangana, India.

B. **In case Members of the Bank have not registered their e-mail address:**

On account of threat posed by COVID-19 and in terms of the MCA Circulars, the Bank will send Postal Ballot Notice in electronic form only and hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business envelope will not be sent to the Members for this Postal Ballot. Accordingly, the communication of the assent or dissent of the Members would take place through the E-voting system only. Therefore, those Members who have not yet registered their e-mail address are requested to get their e-mail addresses registered by following the procedure given below:

14. In light of the MCA Circulars, Members who have not registered their e-mail address and in consequence could not receive the E-voting notice may temporarily get their e-mail registered with the Bank's Registrar and Share Transfer Agent, KFin Technologies Private Limited, by following the registration process as mentioned below:

Electronic folios:

(a) Visit the link https://ris.kfintech.com/clientservices/postalballot/

(b) Select the company name i.e. IDFC FIRST Bank Limited.

(c) Shareholder to enter DPID-CLID / Folio No. and PAN.

(d) Shareholder to enter the e-mail id and Mobile No.

(e) System check the authenticity of the client id and PAN and send the different OTPs to Mobile and e-mail to Validate.

(f) Shareholder to enter the OTPs received by SMS and e-mail to complete the validation process. (OTPs will be valid for 5 min. Only).

(g) System confirms the e-mail id for the limited purpose of serviced postal ballot notice.

(h) System will send the notice & procedure for E-voting to the e-mail given by shareholder.

Physical folios:

(a) Visit the link https://ris.kfintech.com/clientservices/postalballot/

(b) Select company name i.e. IDFC FIRST Bank Limited.

(c) Shareholder to enter physical Folio No and PAN.

(d) If PAN is not available in the records, shareholder to enter one of the Certificate No.

(e) Shareholder to enter the e-mail id and Mobile No.

(f) System checks the authenticity of the Folio No. and PAN/ Certificate No. and send the different OTPs to Mobile and e-mail to Validate.

(g) Shareholder to enter the OTPs received by SMS and e-mail to complete the validation process. (OTPs will be valid for 5 min. Only).

(h) If PAN is not available in the records, system will prompt to upload the duly signed scan copy of the PAN.

(i) System confirm the registration of e-mail id.

(j) System will send the notice & procedure for E-voting to the e-mail given by shareholder.

Post successful registration of the e-mail, the shareholder would get soft copy of the notice and the procedure for E-voting along with the User ID and the Password to enable E-voting for this Postal Ballot. In case of any queries, shareholder may write to einward.ris@kfintech.com.

15. It is clarified that for permanent registration of e-mail address, the Members are however requested to register their e-mail address, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Bank's Registrar and Share Transfer Agent, KFin Technologies Private Limited, Selenium Tower B, Plot 31 & 32, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, Telangana, India by following due procedure.

16. Those Members who have already registered their e-mail address are requested to keep their e-mail addresses validated with their Depository Participants/ the Bank's Registrar and Share Transfer Agent, KFin Technologies Private Limited to enable servicing of notices/ documents/ Annual Reports electronically to their e-mail address.

In case of any query/ grievance pertaining to E-voting, please visit Help & FAQ's section of https://evoting.kfintech.com or contact Ms. Krishna Priya, Manager at KFin Technologies Private Limited [Unit: IDFC FIRST Bank Limited], Selenium Tower B, Plot 31 & 32, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, Telangana, India, e-mail: einward.ris@kfintech.com, Contact No.: +91 40 67161500, +91 40 33211000 and Toll Free No.: 1800 345 4001.

ANNEXURE TO NOTICE

STATEMENT PURSUANT TO SECTION 102(1) AND 110 OF THE COMPANIES ACT, 2013 SETTING OUT ALL MATERIAL FACTS:

Item No. 1

To approve Raising of Capital through Issuance of Equity Shares and/or other Equity Linked Securities

Purpose:

IDFC FIRST Bank was created by the merger of erstwhile IDFC Bank and erstwhile Capital First on December 18, 2018. Erstwhile IDFC Limited had set up a banking institution from scratch after demerging its infrastructure business into the newly created Bank. The Bank had subsequently also set up a strong corporate banking business and had built an incipient retail banking business with high levels of quality and high levels of corporate governance with a loan book of ₹ 70,932 crores as of March 31, 2018. Capital First was single-mindedly focused on financing small & micro entrepreneurs and Indian consumers since its inception in 2010, and served segments that were traditionally unserved or underserved by the existing banking system and had built specialized models for the same. The Company had built a loan book from ₹ 94 crores in 2010 to ₹ 29,625 crores with millions of customers in these segments with high levels of asset quality and profitability.

Post-merger, the then Chairman of Capital First, Mr. V. Vaidyanathan took over as the Managing Director & Chief Executive Officer (**'MD & CEO'**) of the merged entity. The new entity pivoted away distinctly from infrastructure financing and defined its new mission statement as "We want to touch the lives of millions of Indians in a positive way by providing high quality banking products and services to them, with particular focus on aspiring consumers and entrepreneurs of our new India, using contemporary technologies."

We recognize that we are in our early stages and what we do, say or behave will shape the culture of the Bank in the long run. IDFC FIRST Bank has put in place a culture of truth, trust and transparency in everything we do. We defined the tagline of the Bank as "Always You First", 'You' referring to our customers. In terms of culture, the philosophy of being truthful and straightforward with our customers and all stakeholders is being rooted deep into the ethos of all employees through townhalls, written communications, and demonstrated behavior from the top, such that at the core, we build a quality Bank strongly rooted in ethical behavior.

We understand that our mission statement of touching millions of lives in a positive way will not happen without investing in system and technology and we continue to invest in these. Further during the last two years, the Bank has made significant progress in sharply expanding and strengthening its offerings for its Retail banking segment, both urban and rural.

The Bank has a large bouquet of products to offer for its Retail customers in the MSME and Consumer segments in the urban and rural geographies. The Bank provides - loans to MSMEs; business loans to self-employed individuals, professionals and entities based on cashflow evaluations; Small business loans for micro enterprises; Business Banking for its MSME customers; Home Loans for Salaried and Self-employed individuals; Financing of individuals for purchasing consumer durables; Two-wheeler loans to salaried and self-employed individuals; New and Pre-owned Car Loans to salaried and self-employed individuals; Commercial Vehicle loans for purchasing new and pre-owned commercial vehicles; Personal credit to salaried and self-employed individuals; micro-housing loans for rural households; loans for enhancing livelihood of women borrowers in rural India through JLG program; Kisan Credit Cards for its rural customers as well as Equipment Hypothecation Loans for agri-businesses to upgrade agri-machinery and processing. The Bank in the recent times has launched Gold Loans, primarily focused on its rural customer base.

On the Liabilities side, the Bank provides deposit products like Savings Accounts, Signature Debit Cards, Current Accounts, Corporate Salary Accounts, Fixed Deposits, Recurring Deposits. The Bank provides Wealth Management propositions and Investment solutions including distribution of life, health and general insurance, business insurance and Mutual Funds. In every product we launch we try to bring something special if possible for our customers even if it has been generic product in the marketplace. For example, in January 2021, the Bank has launched its highly customer friendly credit card business in the market with differentiated offering keeping in mind the theme "Always Customer First".

Further, on the corporate banking side, the Bank has immense opportunities on trade, forex, remittances, and credit. The Bank has strengthened its offering in transaction banking, forex services & remittance solutions, trade finance, FASTag registrations through technology led innovations.

Performance after merger in December 2018

During the first 2 years of merger, the Bank had to deal with booking losses due to certain legacy infrastructure and legacy large financial conglomerates which had gone bad because of sudden change in the Indian financial ecosystem after the collapse of IL & FS. We did not try to hide from the issue but instead dealt with it in a straightforward manner by booking the loss. We thus needed fresh equity capital to raise our capital adequacy to healthy levels again and desired to raise ₹ 2,000 crores of equity. But the good news was that while we were dealing with these issues, in parallel, we had built a strong and granular franchise on both the assets and liabilities side and demonstrated the incremental business model and strong margins to the market. Thus, despite posting six straight quarters of losses upto December 2019, we could convince high quality long term investors to support us with one round of equity raise in June 2020 for ₹ 2,000 crores. We are happy to inform that the Bank has reported profits for last 4 consecutive quarters.

Building a strong foundation: In the two years since merger, the Bank has made strong strides in building a strong foundation on the basis of which the Bank can continue to grow on a sustained basis in future. We recognize that a strong foundation includes culture, systems, processes, corporate governance, technology and a stable liability franchise. About culture and technology, we have talked earlier in brief. On the franchise front the Bank has made dramatic progress during the last 2 years.

Strong Liabilities: We recognize that building a strong liabilities platform is the very basic foundation of a strong bank. At merger, the Bank realized that because of its unique history of a DFI merging with a Bank (both parties had assets, but were largely funded by wholesale liabilities), the Bank was very low on CASA at 8.68%. Thus, in the last 2 years, the Bank has worked steadfastly, in creating a strong retail liabilities franchise first. The Bank is one of India's fastest growing private sector banks on retail liabilities side with an expanding presence across the country.

Bank's Total CASA Deposits grew steadily to ₹ 40,563 crore as on December 31, 2020 from ₹ 16,204 crore as of December 31, 2019, YOY growth of 150%. As a result, the CASA ratio of the Bank registered a strong YOY improvement to reach 48.31% as on December 31, 2020 as compared to 24.06% as on December 31, 2019.

CASA	**Dec-18**	**Mar-19**	**Jun-19**	**Sep-19**	**Dec-19**	**Mar-20**	**Jun-20**	**Sep-20**	**Dec-20**	**YOY (%)**
Total CASA	5,274	7,893	9,594	12,473	16,204	20,661	23,491	30,181	40,563	150%
CASA Ratio (as a % of Total Deposits)	8.68%	11.40%	14.57%	18.70%	24.06%	31.87%	33.74%	40.37%	48.31%	

The Bank has witnessed strong success in raising deposits from retail customers. The Retail deposits (Retail CASA and Retail Term Deposits) grew healthily from ₹ 29,267 crore as on December 31, 2019, to reach ₹ 58,435 crore as on December 31, 2020, YOY growth of 100%. Retail Deposits as a % of Total Deposits have increased sharply.

Retail Deposits (in ₹ crore)	**Dec-18**	**Mar-19**	**Jun-19**	**Sep-19**	**Dec-19**	**Mar-20**	**Jun-20**	**Sep-20**	**Dec-20**	**YOY (%)**
Total Retail Deposits	10,400	13,214	16,672	22,629	29,267	33,924	39,872	49,610	58,435	100%
Retail Deposits (as % of Total Deposits)	17.11%	19.08%	25.33%	33.92%	43.45%	52.33%	57.27%	66.35%	69.60%	

Apart from growing retail liabilities per se, we were more concerned about the qualities of retail liabilities. Hence, as a Bank, we have made every effort to focus on deposits from retail customers. As a result, the deposits with upto ₹ 5 crore balance has grown significantly from ₹ 12,021 crore (31% of total customer deposits) as of December 31, 2018 to healthy levels of ₹ 60,349 crore (78% of total customer deposits) as of December 31, 2020. This has made the liability side granular and stable.

Customer Deposits <= ₹ 5cr	**Dec-18**	**Mar-19**	**Jun-19**	**Sep-19**	**Dec-19**	**Mar-20**	**Jun-20**	**Sep-20**	**Dec-20**	**YOY (%)**
Deposits <= 5 crores	12,021	14,834	18,730	24,987	30,199	34,267	40,582	51,147	60,349	100%
<= 5crs as % Total Customer Deposits	31%	37%	41%	49%	55%	59%	65%	74%	78%	

Further, as part of building a strong liability foundation, the Bank wanted to reduce the top 20 depositors' concentration and has made steady progress to reduce the same from 39.98% as on December 31, 2018 to 9.69% as on December 31, 2020. The Bank would continue to improve on reducing the concentration going forward.

Top 20 Customers as a % of Total Deposits	**Dec-18**	**Mar-19**	**Jun-19**	**Sep-19**	**Dec-19**	**Mar-20**	**Jun-20**	**Sep-20**	**Dec-20**
Top 20 Depositors (as a % of Total Customer Deposits)	39.98%	35.35%	26.12%	28.84%	23.02%	20.36%	16.86%	12.40%	9.69%

Assets: On the Asset side, the Bank has a stated strategy to increase Retail loans to micro entrepreneurs, consumers, small businesses, home loans, and other such credit, where we have strong and demonstrated capabilities and rationalize the Wholesale loans, particularly reducing the infrastructure financing portfolio to bring more stability on the overall lending portfolio through this change of loan mix.

The Bank has made significant progress in its stated objective, consistently after the merger. The retail loan book grew by 24% on YOY basis while the wholesale funded assets saw a reduction at 21% on YOY basis. The retail loan book is highly diversified to over millions of customers.

Retail Loans (in ₹ crore)	**Dec-18**	**Mar-19**	**Jun-19**	**Sep-19**	**Dec-19**	**Mar-20**	**Jun-20**	**Sep-20**	**Dec-20**	**YOY (%)**
Retail Loan Book	36,236	40,812	44,642	48,069	53,685	57,310	56,043	59,860	66,665	24%

Wholesale Loans (in ₹ crore)	**Dec-18**	**Mar-19**	**Jun-19**	**Sep-19**	**Dec-19**	**Mar-20**	**Jun-20**	**Sep-20**	**Dec-20**	**YOY (%)**
Wholesale Loan Book	56,809	53,649	52,675	46,377	44,329	39,388	37,928	36,987	34,809	-21%

Further, within the total Wholesale Loans, we decided that infrastructure financing will not be our core business and we have guided that our infrastructure loan book will wind-down to NIL in five years by 2024, and we are well on our path in that direction. We have brought down the infrastructure book to ₹ 11,602 crore at December 31, 2020 from ₹ 15,601 crore at December 31, 2019.

Infrastructure Loans (in ₹ crore)	**Dec-18**	**Mar-19**	**Jun-19**	**Sep-19**	**Dec-19**	**Mar-20**	**Jun-20**	**Sep-20**	**Dec-20**	**YOY (%)**
Infrastructure Loans	22,710	21,459	20,322	17,211	15,601	14,840	13,416	12,502	11,602	-26%

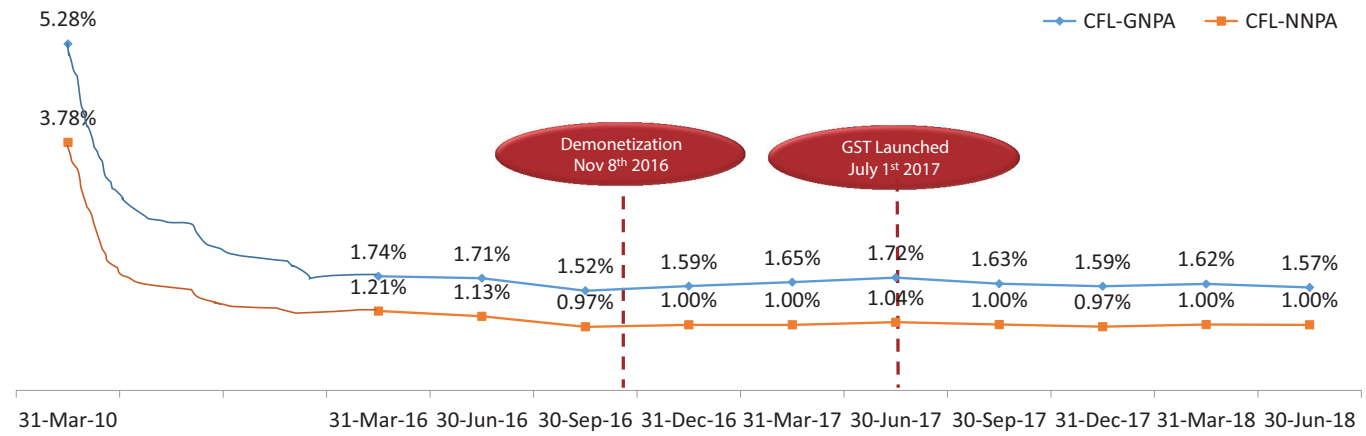
As a result, the retail book which was 13% on September 30, 2018 (pre-merger), now stands at near 60% as of December 31, 2020 (65% including the inorganic PSL buyout where the underlying assets are retail loans, refer stock exchange filing on Q3 FY 2021 performance dated January 30, 2021).

Diversification of Loans (as % of total funded assets) Excluding retail PSL buyouts	**Dec-18**	**Mar-19**	**Jun-19**	**Sep-19**	**Dec-19**	**Mar-20**	**Jun-20**	**Sep-20**	**Dec-20**
Retail Loans %	35%	37%	40%	45%	49%	54%	54%	56%	60%
Wholesale Loans %	65%	63%	60%	55%	51%	46%	46%	44%	40%

As demonstrated above, the Bank has made strong progress over the last 2 years since merger and the transformation of the Bank in the last 2 years has showcased the capabilities of our Bank to make the right strategic choices towards building a strong foundation for long term growth. Our Bank is focusing extensively on digital transformation and has the ability to address the various needs of the Indian consumers and entrepreneurs supported by our unique technologies and innovations. We have demonstrated our capability to underwrite millions of loans for consumers in a fast and efficient manner with minimum manual interventions and through enhancing our capabilities. We have consistently over the last 10 years (including the combined two institutions), demonstrated the ability to explore newer markets and lend to such segments of the market that have not yet been addressed by the traditional banking system. What we are proud of about our Bank is that, we not only have the ability to lend to such segments but to lend it in a manner whereby the asset quality remains high.

Asset quality track record:

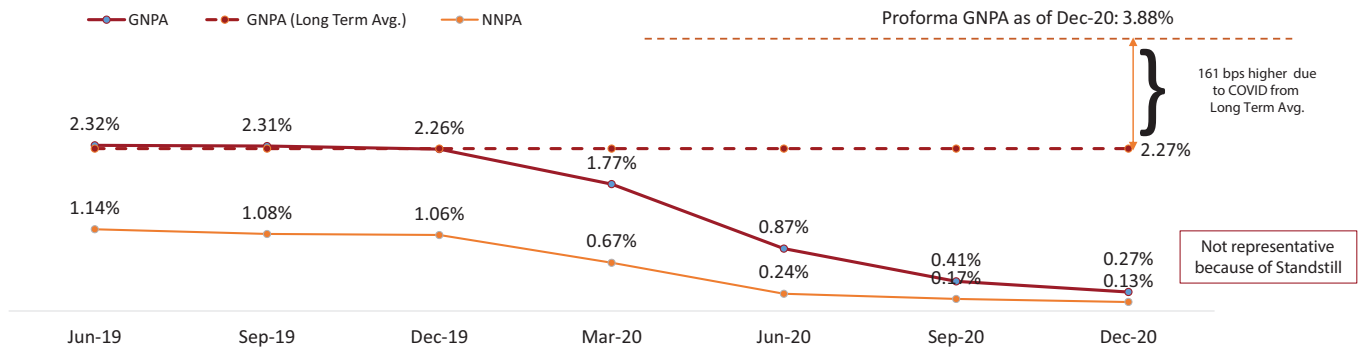
We are happy to share that for a decade now, the NPA on the retail book of our Bank (including our combined past history) has been quite low with Gross NPA of around 2% and net NPA of 1% consistently. During this period of last 10 years, we have witnessed slowdown in the Indian Economy and high inflation of near 10% (2008-2014). We also witnessed a dramatic change and shock to the Indian Ecosystem where 86% of the cash was suddenly withdrawn in November 2016. Despite such an extreme shock to ecosystem, our asset quality remained high as seen in the chart below. In the process, our portfolio quality and underwriting capability was stress tested. Later in July 2017, India migrated to the GST system which caused significant changes to the MSME ecosystem entirely for their betterment in the long run, but it caused significant temporary disturbances. Even during such significant changes, our asset quality continued to remain high. Thus, over a long period of time of over a decade and despite economic cycles, we have demonstrated the capability to underwrite loans of highest quality as demonstrated from below table. The asset quality performance of our retail portfolio, including our pre-merger experience, establishes the trend of low NPA even through such economic shocks and events.



Note: NPA recognition norm migrated to 90 dpd effective from 01 April, 2017.

Post-merger, Gross and Net NPA pertaining to Retail Loans have continued to remain steady. As far as the COVID-19 pandemic impact is concerned, we are happy to share that collections from retail customers has almost reached pre-COVID levels as per the latest declaration made in the quarterly results. We have already guided in our post result commentary that the collections from retail customers have reached more than 98% of pre-COVID which is extremely healthy and we have continued to progress on that. We are therefore happy to share that our portfolio has been stress tested repeatedly over the last decade and has emerged stronger during these stress tests, which demonstrates our strong capabilities on maintaining high asset quality.

Asset quality in the Retail Loans Portfolio



Long term Average mentioned above is Average of Bank's GNPAs for the last 4 quarters Pre-COVID pandemic. (i.e. Mar-19, Jun-19, Sept-19 and Dec-19)

Our Gross and net NPA in our retail as a portfolio on a pro forma basis was 3.88% and 2.27% respectively as of December 31, 2020. As a matter of record, our Gross and Net NPA for the period prior to COVID was 2.26% and 1.06% respectively. Thus, the increase of Gross and Net NPA due to COVID was only 1.6% and 1.2% respectively. We feel this was normal increase in NPA in the context of the extreme disruption and lockdown caused by the global pandemic. Based on the strong and improving collection over the last 6 months coupled with our conservative provisioning policy, we expect our retail Gross and Net NPA to tend downwards to reach our long- term averages of about 2% and 1% again over the next 2-3 quarters.

The Bank has maintained a strong liquidity position throughout our existence as a Bank. Liquidity Coverage Ratio (LCR) of the Bank was strong at 132% as on December 31, 2020. The Bank will endeavor to keep LCR above regulatory limits at all times.

The Bank has a good presence across the country through its 576 branches with 541 ATMs as of December 31, 2020.

The Bank has made significant investments in technology, processes and platforms, branches and human resources. As a growing Bank, the Bank will continue to invest in its liability franchise, technology and infrastructure platforms to expand its reach, introduce new products and services and enhance customer experience for its existing and new customers.

All the points discussed above together forms a strong foundation for the Bank. We now feel that based on the foundation described above, our Bank is now in a strong position to take advantage of the opportunities ahead in the Indian economy. The Indian economy, after impact of COVID-19, has bounced back remarkably and all sectoral indices have now begun to show sound growth.

Why did we feel the need to raise more equity capital at this stage?

Currently, the Bank is required to maintain a minimum total Capital Adequacy Ratio of 10.875%, of which minimum Tier 1 is 8.875% including Capital conservation buffer. The Bank's total Capital Adequacy Ratio as at December 31, 2020 was 14.33%, which comprised mainly of Common Equity Capital. We would like to take our CET-1 (Common Equity Tier 1) Capital Adequacy to an even stronger level of more than 15%. The Bank is poised for the strong growth going forward for many years to come and wants to maintain a high capital adequacy level to support such growth plans.

We plan to fund this growth by continuously expanding our retail liability franchise. We have already grown the CASA to 48% as described above and we expect the CASA to continue to grow from hereon. Since retail loans come at an healthy margin as we continue to expand the proportion of retail loans, as we have done during the last two years, we expect the margins to continue to improve. In the light of such strong growth opportunities available to our Bank, we feel the need to raise additional equity capital of up to ₹ 3,000 crore to support such growth. With the raise, our CET 1 capital adequacy is likely to improve beyond 15% which would keep our adequately comfortable for tapping into such growth opportunities.

Price movement of Bank Nifty vs IDFC FIRST Bank since merger period:

Date	Bank Nifty	IDFC FIRST Bank
31-Dec-18	3.81%	19.09%
31-Mar-19	16.30%	52.47%
31-Dec-19	22.93%	24.04%
31-Mar-20	(26.83%)	(42.03%)
31-Dec-20	19.50%	1.79%
18-Feb-21	39.84%	59.62%

Proposal Details:

The Board at its meeting held on Thursday, February 18, 2021, subject to the approval of the Members and such other approvals as may be required, approved the Issue. Therefore, the Bank proposes to have an enabling approval for raising of funds for an amount up to ₹ 3,000 crore in one or more tranches, on such terms and conditions as it may deem fit, by way of issuance of equity shares and/ or any equity linked securities ('**Eligible Securities**') through any permissible mode or combination of, including but not limited to a qualified institutions placement, private placement, and/or follow-on public offering. The issue of Securities may be consummated in one or more tranches at such time or times at such price and to such classes of investors as the Board (including 'Capital Raising Committee' or any such other Committee duly authorized thereof) may in its absolute discretion decide, having due regard to the prevailing market conditions and any other relevant factors and wherever necessary, in consultation with lead manager(s) and other agencies that may be appointed, subject, however, to the SEBI ICDR Regulations and other applicable guidelines, notifications, rules and regulations.

The Board (including 'Capital Raising Committee' or any such other Committee duly authorized thereof) may in its discretion adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the Members of the Bank. The proposed issue of capital is subject to the approvals of the Reserve Bank of India, if any and applicable regulations issued by the Securities and Exchange Board of India, each to the extent applicable, and any other government/ statutory/ regulatory approvals as may be required in this regard in India or abroad.

In case the Issue is made through a qualified institutions placement: (a) the allotment of the Securities shall be completed within a period of 365 days from passing this resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time; and (b) the pricing of the Securities that may be issued to qualified institutional buyers pursuant to a qualified institutions placement shall be determined by the Board in accordance with the regulations on pricing of securities prescribed under the SEBI ICDR Regulations. The resolution enables the Board to offer such discount as permitted under applicable law on the price determined pursuant to the SEBI ICDR Regulations. The Bank may, in accordance with applicable law, offer a discount, of not more than 5% or such percentage as permitted under applicable law, on the floor price determined pursuant to the SEBI ICDR Regulations (not be less than the average of the weekly high and low of the closing prices of the equity shares quoted on a stock exchange during the two weeks preceding the 'Relevant Date', less a discount of not more than 5%). The 'Relevant Date' for this purpose would be the date when the Board or 'Capital Raising Committee' or any such other Committee of the Board decides to open the qualified institutions placement for subscription, if Equity Shares are issued, or, in case of issuance of convertible securities, the date of the meeting in which the Board decides to open the issue of the convertible securities as provided under the SEBI ICDR Regulations.

Since, the pricing and other terms of the Issue cannot be decided, except at a later stage, an enabling resolution is being passed to give adequate flexibility and discretion to the Board to finalize the terms of the Equity Shares or Eligible Securities that may be issued by way of the Issue, subject to applicable law. The pricing shall be freely determined subject to such price not being less than the price calculated in accordance with applicable law. Convertible Eligible Securities, if allotted, shall be convertible into Equity Shares of the Bank within 60 months or such other time as may be decided by the Board and permitted by applicable law.

The Equity Shares shall rank pari passu in all respects, including in respect of entitlement to dividend with the existing equity shares, as may be provided under the terms of the QIP, and in accordance with the provisions of the placement document(s), subject to the terms of such Eligible Securities, Equity Shares allotted pursuant to conversion of any Eligible Securities shall be allotted as fully paid up.

If the Issue is conducted through the QIP route, the Eligible Securities or Equity Shares shall not be eligible to be sold for a period of one year from the date of allotment, except on a recognised stock exchange, or except as may be permitted under the SEBI ICDR Regulations from time to time.

The Special Resolution also seeks to give the Board powers to issue Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies and/or individuals or otherwise as the Board in its absolute discretion deem fit. The detailed terms and conditions for the issue(s)/offering(s) will be determined by the Board or 'Capital Raising Committee' or any such other Committee duly authorized, in its sole discretion in consultation with the advisors, lead managers, underwriters and such other authority or authorities as may be necessary considering the prevailing market conditions and in accordance with the applicable provisions of law and other relevant factors.

The Equity Shares to be allotted would be listed on one or more stock exchanges in India. The offer/ issue/ allotment would be subject to the availability of the regulatory approvals, if any. The conversion of Eligible Securities held by foreign investors into Equity Shares would be subject to the applicable foreign investment cap and relevant foreign exchange regulations. As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the stock exchanges as may be required under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, Section 62(1)(a) of the Act provides, *inter alia*, that when it is proposed to increase the issued capital of a company by allotment of further equity shares, such further equity shares shall be offered to the existing Members of such company in the manner laid down therein unless the Members by way of a special resolution decide otherwise. Since the Special Resolution proposed in the business of the Notice may result in the issue of Equity Shares of the Bank to persons other than existing Members of the Bank, approval of the Members is also being sought pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Act as well as applicable rules notified by the Ministry of Corporate Affairs and in terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board, therefore, recommends the special resolution, as set forth in this Notice, for approval by the Members of the Bank.

All the documents referred in the Notice are available for inspection on the website of the Bank at https://www.idfcfirstbank.com/Investor-relation/postal-ballot.html

Except as permitted under applicable laws, none of the Promoters or Directors of the Bank intends to participate either in the Issue or separately in furtherance of the objects of the Issue.

The Directors and Key Managerial Personnel of the Bank and relatives thereof may be deemed to be concerned or interested in the passing of resolution to the extent of securities issued/allotted to them or to the companies in which they are directors or Members or to the extent of their shareholding in the Bank. Save as aforesaid, none of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

This Notice does not constitute an offer or invitation or solicitation of an offer of securities to the public within or outside India. Nothing in this Notice constitutes an offer of securities for sale or solicitation in any jurisdiction in which such offer or solicitation is not authorized or where it is unlawful to do so.

By order of the Board of Directors of
IDFC FIRST Bank Limited

Date: **February 18, 2021**
Place: **Mumbai**

Satish Gaikwad
Head - Legal & Company Secretary

Green Initiative

IDFC FIRST Bank Limited

CIN: L65110TN2014PLC097792

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Tel: + 91 22 7132 5500 **Fax:** +91 22 2654 0354

GO - GREEN INITIATIVE AND IEPF

Dear Shareholder,

Go Green Initiative - Electronic Mode of service of documents:

The Ministry of Corporate Affairs ('MCA') has taken a "Go Green Initiative in the Corporate Governance" by allowing paperless compliances by companies. The applicable provisions of Companies Act, 2013 read with rules made thereunder permits circulation of financial statements, notices etc. to shareholders through electronic mode as per the records of the Company/ Registrar and Share Transfer Agent or as provided by the Depositories.

In this regard, we seek your whole-hearted support for this initiative. We would request you to register your e-mail Id with your Depository Participant, to get Annual Reports alongwith Notice, Postal Ballot Notice and other communications through e-mail instead of paper mode.

In case,you are holding shares of the Bank in physical form,you may kindly provide your e-mail Id to our Registrar and Share Transfer Agent ('RTA') i.e. Kfin Technologies Private Limited ('KFIN'), Selenium Tower B, Plot 31 & 32, Financial District, Gachibowli, Nanakramguda, Serilingampally, Hyderabad - 500 032, Telangana, India, Tel. No.: +91 40 6716 2222, Fax: +91 40 2342 0814, e-mail: einward.ris@kfintech.com; Website: www.kfintech.com or request by e-mail to KFIN at einward.ris@kfintech.com, communicating Name, Folio No./ DP ID/ Client ID and e-mail address. In case, you are holding shares of the Bank in demat mode, you are requested to contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.

Alternatively, the Members can also update their e-mail addresses with Bank by sending an e-mail to bank.info@idfcfirstbank.com. The Bank shall appropriately coordinate with the RTA to get the records updated. This will help the Bank for serving documents to you electronically.

In view of continuing pandemic situation of COVID-19 and pursuant to the guidelines and notification/ circular issued by the Ministry of Home Affairs, Government of India, Ministry of Corporate Affairs (the 'MCA') and Securities and Exchange Board of India ('SEBI'), the Postal Ballot Notice dated February 18, 2021 is being sent only through electronic mode.

The Postal Ballot Notice, Annual Report and other documents of the Bank would also be made available on the Bank's website www.idfcfirstbank.com and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

Payment of Dividend through electronic mode

As a measure to use electronic method of payment for making cash payments (such as dividends) to the investors, we would request you to do the following:

i. In case of shares held in Demat form, update your Bank account details with your Depository Participant.

ii. In case of shares held in physical form, provide the Bank account details to our RTA, KFIN.

This process also will help you to get all your future dividends immediately on the payment date without any risk of loss of physical warrants in postal transit.

We are sure that as a responsible citizen, you would appreciate the 'Green Initiative' taken by MCA and your Bank's desire to participate in such initiatives and will whole-heartedly support the same.

Transfer of Unpaid/ Unclaimed Dividend & Shares Underlying Unclaimed Dividends to the IEPF

We wish to draw your kind attention to the provisions of Section 124 and 125 of the Companies Act, 2013 read with rules made thereunder and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, ('Rules') and other applicable provisions, pursuant to which the dividend amounts remaining unpaid or unclaimed for a period of seven years will be transferred to the 'INVESTOR EDUCATION AND PROTECTION FUND' (IEPF) established by the Central Government. Further, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall also be transferred to the IEPF after complying with the procedure laid down under the 'IEPF Rules' and no claim shall lie against the Bank for the amount of dividend(s) and shares so transferred.

However, you can claim from the IEPF Authority, both the unclaimed dividends and the shares transferred to the IEPF by making an online application in Form IEPF-5 and following the procedure as mentioned therein. Further details for claiming the dividend/ shares from the IEPF is available on the website of the IEPF http://www.iepf.gov.in/IEPF/refund.html.

The amount of final dividend declared by erstwhile Capital First Limited at its 9th Annual General Meeting held for the financial year 2013-14 and the shares corresponding to the unpaid or unclaimed dividends for seven consecutive years or more taking these dividend(s) respectively as the base year are due for transfer to the IEPF. Request you to also refer Corporate Governance Report forming part of Annual Report for details on IEPF.

The shareholders are requested to support the Bank in its Green Initiative.

For **IDFC FIRST Bank Limited**

Satish Gaikwad
Head – Legal & Company Secretary