IDFC

August 4, 2015

The Manager – Listing Department
National Stock Exchange of India Limited
Bandra Kurla Complex
Bandra (E)
Mumbai-400051

The Manager – Listing Department
BSE Limited
1st Floor, P.J. Towers,
Dalal Street
Mumbai -400 001

Dear Sirs,

Subject: **Scheme of Arrangement between IDFC Limited ("Transferor Company") and IDFC Bank Limited ("Transferee Company") and their respective shareholders and creditors under Section 391 to 394 of the Companies Act, 1956 ["Demerger Scheme"]**

This is in continuation to our letter dated July 27, 2015.

The Reserve Bank of India, on July 23, 2015, granted Banking Licence to **"IDFC BANK LIMITED"** for undertaking banking business in India under Section 22 (1) of the Banking Regulation Act, 1949.

Point No. III (7) of the Terms and Conditions of the Bank Licence states the following –

- The transfer of business of IDFC Limited to the proposed bank should coincide with commencement of banking business. Auditor's certificate certifying transfer of business as on the date of commencement of operations of the bank should be submitted to RBI.

In view of the above and in view of Clause 5.8.1 of the Demerger Scheme, this is to inform you that the Board of Directors of IDFC Limited and IDFC Bank Limited at their meetings held on July 30, 2015 and July 27, 2015 respectively, have determined that the Demerger Scheme can be Effective only upon receipt of requisite Operational Licenses from the Reserve Bank of India and IDFC Bank Limited will commence the banking business from October 1, 2015.

Therefore in compliance with Clause 5.8.1 of the Demerger Scheme and to comply with the terms and conditions of the Bank Licence, the transfer of "Financing Undertaking" from IDFC Limited to IDFC Bank Limited pursuant to the Demerger Scheme will take place on October 1, 2015.

As a result, the Effective Date of the Demerger Scheme will be October 1, 2015 and IDFC Bank Limited will start banking operations from October 1, 2015.

Kindly take note of the same.

Thanking you,

Yours faithfully,

For IDFC Limited

Mahendra N. Shah
Company Secretary

IDFC LIMITED MUMBAI