

IDFC LIMITED

Corporate Identity Number: L65191TN1997PLC037415 info@idfc.com; www.idfc.com

Regd. Office: KRM Towers, 7th Floor, No. 1, Harrington Road, Chetpet, Chennai - 600 031. **Tel:** + 91 44 4564 4201/4202/4223 **Fax:** +91 44 4564 4222

Corp. Office: Naman Chambers, C-32, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051. **Tel:** + 91 22 4222 2000 **Fax:** +91 22 2421 5052

NOTICE

NOTICE is hereby given that the Twenty Second Annual General Meeting (“**AGM**”) of the Members of IDFC Limited (“**IDFC**” or “**the Company**”) will be held on **Monday, September 30, 2019 at 11:30 a.m.** at The Music Academy, T.T.K Auditorium (Main Hall), Near Acropolis Building, New No. 168 (Old No. 306), T.T.K. Road, Royapettah, Chennai - 600 014, Tamil Nadu, India, to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt:
 - a. the audited standalone financial statements of the Company for the financial year ended March 31, 2019 and the Reports of the Board of Directors and the Auditors thereon; and
 - b. the audited consolidated financial statements of the Company for the financial year ended March 31, 2019 and the Report of the Auditors thereon.

SPECIAL BUSINESS

2. **Appointment of Mr. Anshuman Sharma as a Nominee Director representing Government of India**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160, 161 and other applicable provisions of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Anshuman Sharma (DIN : 07555065), who was appointed as an Additional Director of the Company w.e.f. August 08, 2018 and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose the candidature of Mr. Anshuman Sharma for the office of a Director of the Company, be and is hereby appointed as a Non-Executive Nominee Director representing the Government of India, Ministry of Finance and who shall be liable to retirement by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company and Mr. Mahendra N Shah, Company Secretary, be and are hereby severally authorized to sign and file the requisite forms and returns and other documents with the statutory/regulatory authority/ies and to do all such acts, deeds and things as may be necessary to give effect to the above resolution.”

3. **Appointment of Ms. Ritu Anand as an Independent Director**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Schedule IV to the Companies Act, 2013 and other applicable Rules, including any statutory modification(s) or re-enactment(s) thereof for the time being in force and pursuant to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time, Ms. Ritu Anand (DIN: 05154174) in respect of whom the Company has received a notice in writing from a Member signifying his intention to propose Ms. Ritu Anand as a candidate for the office of Independent Director of the Company, be and is hereby appointed as an

Independent Director of the Company to hold office for a period of three (3) consecutive years w.e.f. August 16, 2019 and who shall not be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Section 149, 197, 198 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Ms. Ritu Anand be paid such fees and remuneration and profit related commission as the Board may approve from time to time and subject to such limits prescribed by the Companies Act, 2013 and as approved by the Members at the 21st AGM of the Company held on July 31, 2018.

RESOLVED FURTHER THAT the Board of Directors and Mr. Mahendra N. Shah, Company Secretary be and are hereby severally authorised to sign and file the requisite forms and returns and other documents with statutory / regulatory authorities and to do all such acts, deeds and things as may be necessary to give effect to the above resolution.”

4. **Offer and Issue of Non-Convertible Securities through Private Placement**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and subject to all the applicable laws and regulations, including but not limited to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015; SEBI (Issue and Listing of Debt Securities) Regulations, 2008; Foreign Exchange Management Act, 1999; the Reserve Bank of India Act, 1934, including any amendment, modification, variation or re-enactment thereof and the Memorandum and Articles of Association and subject to receipt of such approval(s), consent(s), permission(s) and sanction(s), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall include any Committee thereof) to borrow from time to time, by issuance of Non-Convertible Securities, including but not limited to Non-Convertible Debentures (“NCDs”) and Commercial Papers (“CPs”), on Private Placement basis, with a view to augment the business of the Company, up to an amount not exceeding ₹ 500 crore (Rupees Five Hundred crore only), under one or more shelf disclosure documents, for the period of one year from the conclusion of 22nd (Twenty Second) Annual General Meeting (“AGM”) on such terms and conditions as the Board may deem fit and appropriate for each series as the case may be.

RESOLVED FURTHER THAT the said limit of ₹ 500 crore (Rupees Five Hundred crore only) shall be within the overall borrowing limit of ₹ 10,000 crore (Rupees Ten Thousand crore only) as approved by the Members at its 19th (Nineteenth) AGM under Section 180(1)(c) of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors and Mr. Mahendra N Shah, Company Secretary be and are hereby severally authorised to sign all such forms and returns and other documents with the statutory / regulatory authority(ies) and to do all such acts, deeds and things as may be necessary to give effect to the above resolution.”

By order of the Board of Directors

Mahendra N Shah
Company Secretary

Mumbai | August 14, 2019

NOTICE (continued)

NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed hereto.
2. **PROXIES:**
 - a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT ONE OR MORE PROXY(IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. ONLY DULY FILLED, SIGNED AND STAMPED PROXY FORM WILL BE CONSIDERED VALID.**
 - b) A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than ten percent (10%) of the total share capital of the Company. A Member who is holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other person or Shareholder. The instrument appointing a proxy shall be signed by the appointer or his attorney duly authorised in writing, or if the appointer is a body corporate, it shall be under its seal and be signed by an officer or an attorney duly authorised by it.
 - c) During the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, a Member would be entitled to inspect the proxies lodged, during the business hours at the Registered Office, provided that not less than three days of notice in writing is given to the Company.
 - d) Members / Proxies / Representatives are requested to bring their copies of the Annual Report and the Attendance Slip sent herewith to attend the AGM.
3. Corporate Members intending to send their authorised representatives to attend the AGM are requested to send a duly certified copy of the Board Resolution authorising their representatives to attend and vote on their behalf at the AGM. The documents are required to be sent to the Company Secretary at the Registered Office of the Company or by sending an email on shivangi.mistry@idfc.com.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Brief resume and other details of Director proposed to be appointed / reappointed as required under Regulation 36(3) of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 ("SEBI LODR Regulations") are given in the Exhibit to the Notice.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the Registered Office of the Company and at the AGM.
7. The Register of Contracts or Arrangements, in which directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the Members at the Registered Office of the Company and at the AGM.
8. Members desirous of getting any information about the accounts and/ or operations of the Company are requested to write to the Company Secretary at least seven days before the date of the AGM to enable the Company to keep information ready at the AGM.
9. All the documents referred to in the accompanying Notice and Statement pursuant to Section 102 of the Companies Act, 2013, are open for inspection in both physical and electronic form during business hours on all working days at 2nd Floor, Ramon House, H.T. Parekh Marg, 169, Backbay Reclamation, Churchgate, Mumbai - 400020 and at the Registered Office i.e. KRM Towers, 7th Floor, No. 1, Harrington Road, Chetpet, Chennai - 600 031 and will also be available at the venue of the AGM.
10. The Certificate from the Statutory Auditors of the Company certifying that the Company's Employee Stock Option Scheme is being implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time and in accordance with the resolutions passed by the Members at the General Meetings, will be available for inspection by the Members at the AGM.
11. Members are requested to address all correspondence, including change in address / bank account details, to Karvy Fintech Private Limited [Unit: IDFC Limited], Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032, India ("Karvy"). Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updation of bank account details to their respective Depository Participants ("DP").
12. SEBI vide its circular dated April 20, 2018 has made it mandatory for the Company to collect copy of Income Tax Permanent Account Number (PAN) and bank account details of all security holders holding securities in physical form. Accordingly, all Shareholders holding shares in physical form are requested to submit duly attested documents to Karvy.
13. Pursuant to the applicable provisions of Companies Act, 2013, the amount of dividend not encashed or claimed within 7 (Seven) years from the date of its transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Accordingly, the request for unclaimed dividend in respect of FY13 must reach the Company or Karvy on or before August 29, 2020, failing which it would be transferred to IEPF after that date.
14. The shares in respect of the Members who have not claimed the Dividend for consecutive period of 7 (seven) years, i.e. till FY12 were transferred to IEPF. Members who have not claimed the Dividend since FY13 are requested to claim the same to avoid their shares being transferred to IEPF.
15. **GREEN INITIATIVE:**
 - a) In support of the Green Initiative, the Annual Report for FY19, Notice and instructions for E-Voting along

NOTICE (continued)

with the Attendance Slip and Proxy Form are being sent by electronic mode only to those Members whose e-mail addresses are registered with the Company /DP for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail addresses, physical copies of the Annual Report FY19 are being sent by the permitted mode. Members may also note that Notice and the Annual Report are also available for download from the website of the Company: www.idfc.com.

- b Members holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical mode are requested to advise any change in their address or bank mandates to the Company / Company's Registrar and Transfer Agents, i.e. Karvy.
16. E-VOTING:
- a In terms of Sections 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI LODR Regulations, the Company is providing the e-voting facility to its Members holding shares in physical or dematerialized form, as on the cut-off date i.e. Monday, September 23, 2019, to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice ("Remote e-voting"). The Remote e-voting commences on Wednesday, September 25, 2019 at 9:00 a.m. and ends on Sunday, September 29, 2019 at 5:00 p.m. E-voting module shall be disabled by Karvy for voting thereafter. A person who is not a Member as on the cut-off date should treat this notice for information purpose only.
- b In terms of the Companies (Management and Administration) Rules, 2014 with respect to the Voting through electronic means, the Company is also offering the facility for voting by way of physical ballot at the AGM. The Members attending the AGM shall note that those who are entitled to vote but have not exercised their right to vote by Remote e-voting, may vote at the AGM through physical ballot for all the businesses specified in this Notice. The Members who have exercised their right to vote by Remote e-voting may attend the AGM but shall not be eligible to vote at the AGM and their vote, if cast at the Meeting, shall be treated as invalid. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. September 23, 2019.
- c The Company has engaged the services of Karvy as the Agency to provide e-voting facility.
- d The Board of Directors has appointed M/s BN & Associates, Company Secretaries, as the Scrutinizer to scrutinize the voting through Remote e-voting and voting process at the AGM in a fair and transparent manner.
- e Attendance Slip containing the e-voting USER ID & PASSWORD along with the detailed instructions for Remote e-voting are enclosed with this Notice.
17. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.idfc.com) and on the Service Provider's website (evoting.karvy.com) and communication of the same will be sent to BSE Limited and the National Stock Exchange of India Limited and shall also be displayed on the Notice Board of the Registered and Corporate office of the Company within 48 hours from the conclusion of the AGM.
18. The route map of the venue of the Meeting forms part of this Notice.
19. Attendance Registration:
- a. Shareholders are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall.
- b. Alternatively, to facilitate smooth registration / entry, the Company has also provided web check-in facility, which would help the Shareholders to enter the AGM hall directly without going through the registration formalities at the registration counters.
- c. The online registration facility will be available from Wednesday, September 25, 2019 at 9:00 a.m. and ends on Sunday, September 29, 2019 at 5:00 p.m.
- The procedure of web check-in is as follows:
- i. Log in to <https://karisma.karvy.com> and click on tab "Web check-in for General Meeting"
- ii. Select the Company name
- iii. Pass through the security credentials viz, DP ID, Client ID / Folio No., and 'CAPTCHA' as directed by the system and click on the submit button.
- iv. The system will validate the credentials. Click on the 'Generate my attendance slip' button that appears on the screen.
- v. The attendance slip in PDF format will appear on the screen. Select the 'PRINT' option for direct printing or download and save for printing.
- The Shareholders needs to furnish the printed Attendance slip along with a valid identity proof such as the PAN card, Passport, Aadhaar card or Driving License to enter the AGM hall.

NOTICE (continued)

ANNEXURE TO NOTICE

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

Item no. 2

Appointment of Mr. Anshuman Sharma as a Nominee Director representing Government of India

Mr. Anshuman Sharma was appointed as Additional Directors of the Company on August 08, 2018 representing Government of India, which holds 16.38% of equity stake of the Company. Pursuant to Section 161 of the Companies Act, 2013, he holds the office of Additional Director up to the date of ensuing AGM

The Company has received notices in writing under the provisions of Section 160 of the Companies Act, 2013 from Member proposing the candidature of Mr. Anshuman Sharma for appointment as Nominee Directors representing Government of India.

Profile of Mr. Anshuman Sharma is given in the Exhibit to this Notice.

Except Mr. Anshuman Sharma and Mr. Soumyajit Ghosh, none of the Directors or Key Managerial Personnel and / or their relatives, are in any way, financial or otherwise, interested or concerned in the resolution set out in Item No. 2. The Board of Directors recommend passing of an Ordinary Resolution as set out in Item No. 2 for approval of the Shareholders.

Item no. 3

Appointment of Ms. Ritu Anand as an Independent Director

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of IDFC appointed Ms. Ritu Anand as an Additional Director, in the category of Independent Director ("ID") to hold office for consecutive period of 3 years w.e.f. August 16, 2019. Pursuant to Section 161 of the Companies Act, 2013, she holds the office of Director up to the date of ensuing AGM.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a Member proposing the candidature of Ms. Ritu Anand for appointment as an ID of the Company.

Ms. Ritu Anand has given a declaration of Independence pursuant to Section 149(6) and 149(7) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 along with his affirmation to the Code of Independent Directors as prescribed under Schedule IV of the Companies Act, 2013.

Profile of Ms. Ritu Anand has been given in the Exhibit to this Notice.

The Board considers that his wide experience of Ms. Ritu Anand would be of immense benefit to the Company. In the opinion of the Board, Ms. Ritu Anand fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and is Independent of the Management.

Ms. Ritu Anand is proposed to be appointed as ID for a period of 3 (Three) consecutive years w.e.f August 16, 2019 and she shall not be liable to retire by rotation. She will be paid such fees and remuneration and profit related commission as the Board may approve from time to time and subject to such limits prescribed by

the Companies Act, 2013 and as approved by the Members at the 21st AGM of the Company held on July 31, 2018.

Except Ms. Ritu Anand, none of the Directors or Key Managerial Personnel and / or their relatives, are in any way, financial or otherwise, interested or concerned in the resolution set out in Item No. 3.

The Board of Directors recommend passing of an Ordinary Resolution as set out in Item No. 3 for approval of the Shareholders.

Item no. 4

Offer and Issue of Non-Convertible Securities through Private Placement

IDFC has been borrowing through issue of Secured Redeemable Non-Convertible Debentures ("NCDs") and Commercial Papers ("CPs") on Private Placement ("PP") basis, from time to time. Section 42 of the Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, lays down the provisions subject to which a company is allowed to issue securities on PP basis. Every proposed offer of securities or invitation to subscribe to securities on PP basis requires prior approval of the Shareholders of the Company by way of Special Resolution. However, in case of offer / issuance of NCDs, passing of a Special Resolution by the Shareholders for all such offers / invitation for such debentures, once in a year is sufficient.

In view of the aforesaid provisions and in order to augment the business of the Company, it is proposed to seek approval of the Shareholders for borrowing, from time to time, by issuance of Non-Convertible Securities, on PP basis, including but not limited to NCDs and CPs up to an amount not exceeding ₹ 500 crore (Rupees Five Hundred crore only) under one or more shelf disclosure documents, for the period of one year from the conclusion of 22nd (Twenty Second) AGM on such terms and conditions as the Board may deem fit and appropriate for each series as the case may be. The said limit of ₹ 500 crore shall be within the overall borrowing limit of ₹ 10,000 crore (Rupees Ten Thousand crore only) as approved by the Shareholders at its 19th (Nineteenth) AGM under Section 180(1)(c) of the Companies Act, 2013.

The pricing of the NCDs and CPs will depend primarily upon the then prevailing market conditions and the regulatory scenario. The pricing for each of the issuance would be approved by the Board of Directors or any of its Committee duly authorized in this regard.

None of the Directors or Key Managerial Personnel and / or their relatives, are in any way, financial or otherwise, interested or concerned in this resolution.

The Board of Directors recommend passing of a Special Resolution as set out in Item No. 4 of this Notice.

By order of the Board of Directors

Mahendra N Shah
Company Secretary

Mumbai | August 14, 2019

NOTICE (continued)

EXHIBIT TO NOTICE

Pursuant to Regulation 36(3) of SEBI LODR Regulations, following information is furnished in respect of Directors proposed to be appointed / reappointed.

Name of the Director	Mr. Anshuman Sharma	Ms. Ritu Anand
Date of Birth	January 21, 1979	November 12, 1953
Age	40 years	65 years
Detailed profile Including nature of Expertise	Mr. Anshuman Sharma is an IRS officer of 2005 Batch and has experience of around 12 years. He had been actively involved in Administration, Transfer Pricing and Tax Assessment. At present, he is posted as Deputy Secretary at Department of Financial Services, Ministry of Finance looking after portfolio of Industrial Finance. He is a post Graduate in Management and has a multifarious personality. He is currently on the Board of IFCI Ltd and India Post Payments Bank (IPPB). He has also served on the Board of Allahabad Bank for a period of one year.	Ms. Ritu Anand has served as Group Head, Chief Economist and Principal Advisor at IDFC Limited up to 2013. Ms. Anand has over 35 years of extensive experience in working with financial institutions, multilateral development agencies and government and regulatory authorities in the areas of economics and public policy. She served as Chief Economic Advisor and Deputy Managing Director of State Bank of India. Ms. Anand served as the Lead Economist at World Bank, Washington DC, U.S.A. Ms. Anand holds a Masters degree in Economics from the London School of Economics and Bachelor degree in Arts from Wellesley College, Massachusetts and St. Xavier's College, Mumbai.
Date of Appointment	August 08, 2018	August 16, 2019
No. of Board Meetings attended during 2018-19	2 out of 5	N.A.
Directorships held in all other companies	1. IFCI Limited 2. India Post Payments Bank Limited	1. NIIF Infrastructure Finance Limited
Memberships / Chairmanships of Committees of the Board of all companies	Membership in the Committees 1. Audit Committee - IFCI Limited 2. Stakeholders' Relationship Committee - IFCI Limited	Membership in the Committee 1. Audit Committee - NIIF Infrastructure Finance Limited
Number of Equity Shares held in the Company	NIL	NIL
Inter-se relationship with other Directors / Manager / KMP	No relationship	No relationship
Details of Remuneration sought to be paid	NIL	Sitting fees and Commission*
Remuneration last drawn by the Director	NIL	NIL

* Refer Table 3 of the Corporate Governance Report which forms part of this Annual Report.