

# IDFC LIMITED

## INVESTOR UPDATE

MAY 1, 2020



# Update – capital raise by IDFC FIRST Bank

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- ✓ The Board of IDFC FIRST Bank approved raising of INR 2,000 crore through a preferential offer (May 1, 2020) as part of its efforts to augment its capital base
- ✓ IDFC FIRST Bank was issued banking license by RBI pursuant to their February 2013 guidelines which require IDFC NOFHC (non operating financial holding company) to hold minimum 40% of paid-up capital of the bank, which shall be locked-in for a period of 5 years (till September 30, 2020)
  - Clause ii, sub-section D, section 2 states:  
*“The NOFHC shall hold a minimum of 40 per cent of the paid-up voting equity capital of the bank which shall be locked in for a period of five years from the date of commencement of business of the bank.”*
  - Clause iv, sub-section D, section 2 states:  
*“In the event of the bank raising further voting equity capital during the first five years from the date of commencement of business, the NOFHC should continue to hold 40 per cent of the enhanced voting equity capital of the bank for a period of five years from the date of commencement of business of the bank.”*
- ✓ To ensure compliance with RBI guidelines of 2013, the Board of IDFC Financial Holding Company Limited (IDFC NOFHC) approved an investment of INR 800 crore in the preferential offer of IDFC FIRST Bank to maintain its 40% promoter stake



THANK YOU