

February 24, 2015

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

Manager – Listing Department  
Bombay Stock Exchange Ltd  
1<sup>st</sup> Floor, P.J. Towers,  
Dalal Street  
Mumbai - 400 001

Dear Sirs,

**Subject: Passing of Resolution by the members of IDFC Limited (“the Company”) by Postal Ballot**

Further to our letter dated February 10, 2015 and February 12, 2015 on the captioned subject, we are enclosing herewith Six Copies of the Postal Ballot Notice dated February 19, 2015 sent to the Members of the Company, for seeking their approval through postal ballot (including voting through electronic means) in respect of the resolutions as set out in the Notice of the Postal Ballot.

Further, please note that the Company has appointed Ms. Savita Jyoti, Practicing Company Secretary, as Scrutinizer for conducting the postal ballot voting in a fair and transparent manner. The Scrutinizer will submit her report of the votes cast in favour of or against both in electronic and physical mode to the Executive Chairman. The results of the postal ballot will be announced at the Corporate Office of the Company by 6.00 p.m. on Monday, March 30, 2015. The result of the postal ballot (including E-voting) will also be displayed at the Corporate Office and the Registered Office of the Company and will be posted on the Company’s website: [www.idfc.com](http://www.idfc.com), besides being communicated to the Stock Exchange(s) where the securities of the Company are listed. The result of the Postal Ballot will also be published in the newspapers.

Kindly upload the same on your website for the information of the shareholders.

Thanking you,

Yours faithfully,  
For **IDFC Limited**



**Ketan Kulkarni**  
Sr. Vice President- Corporate Secretarial





## IDFC Limited

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

**Regd. Office:** KRM Tower, 8th Floor, No. 1, Harrington Road, Chetpet, Chennai - 600 031. Tel: + 91 44 4564 4000 Fax: +91 44 4564 4022  
**Corp. Office:** Naman Chambers, C-32, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051. Tel: + 91 22 4222 2000 Fax: +91 22 2654 0354

### POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013)

**NOTICE is hereby given**, pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Companies (Management and Administration) Rules, 2014 including any statutory modification or re-enactment thereof for the time being in force, to transact the following special business by the Members of IDFC Limited ("IDFC" or "the Company") by passing Resolutions through Postal Ballot:

The Ordinary and Special Resolution(s) alongwith the Explanatory Statement setting out material facts and reasons for passing the below mentioned Resolution(s) are being sent to you along with the Postal Ballot Form for your consideration and approval.

You are requested to carefully read the instructions printed on the Postal Ballot Form and return the same along with assent (FOR) or dissent (AGAINST) duly completed, in the attached pre-paid self-addressed Business Reply Envelop, so as to reach the Scrutinizer on or before 5.30 p.m. on Saturday, March 28, 2015. Your assent / dissent received at the address of the Scrutinizer after 5.30 pm on March 28, 2015 would be strictly treated as if the reply from you was not received.

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

The Company has appointed Ms. Savita Jyoti, Practicing Company Secretary, as Scrutinizer for conducting the postal ballot voting in a fair and transparent manner. The Scrutinizer will submit her report of the votes cast in favour of or against both in electronic and physical mode to the Executive Chairman after completion of scrutiny of Postal Ballots received and the results of the postal ballot will be announced at the Corporate Office of the Company by 6.00 p.m. on Monday, March 30, 2015, as per the applicable rules. The result of the postal ballot (including E-voting) will also be displayed at the Corporate Office and the Registered Office of the Company and will be posted on the Company's website: www.idfc.com, besides being communicated to the Stock Exchange(s) where the securities of the Company are listed.

### SPECIAL BUSINESS

#### 1. Appointment of Mr. Surinder Singh Kohli as an Independent Director

To consider, and if thought fit, to pass, with or without modification(s), 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 pursuant to the Listing Agreement with Stock Exchanges, Mr. Surinder Singh Kohli (DIN - 00169907), in respect of whom the Company has received a notice in writing from a Member signifying his intention to propose Mr. S. S. Kohli as a candidate for the office of Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of three (3) consecutive years to hold office till the conclusion of the 20<sup>th</sup> (Twentieth) Annual General Meeting (AGM) of the Company to be held for the FY 2017 and who shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 197, 198 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Mr. S.S. Kohli 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 16<sup>th</sup> AGM of the Company held on July 29, 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 and to do all such acts, deeds and things as may be necessary to give effect to the above resolution."

#### 2. Appointment of Ms. Marianne Økland as an Independent Director

To consider, and if thought fit, to pass, with or without modification(s), 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 pursuant to the Listing Agreement with Stock Exchanges, Ms. Marianne Økland (DIN - 03581266), in respect of whom the Company has received a notice in writing from a Member signifying his intention to propose Ms. Marianne Økland as a candidate for the office of Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of three (3) consecutive years to hold office till the conclusion of the 20<sup>th</sup> (Twentieth) Annual General Meeting (AGM) of the Company to be held for the FY 2017 and who shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 197, 198 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Ms. Marianne Økland 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 16<sup>th</sup> AGM of the Company held on July 29, 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 and to do all such acts, deeds and things as may be necessary to give effect to the above resolution."

#### 3. Appointment of Dr. Omkar Goswami as an Independent Director

To consider, and if thought fit, to pass, with or without modification(s), 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 pursuant to the Listing Agreement with Stock Exchanges, Dr. Omkar Goswami (DIN - 00004258), in respect of whom the Company has received a notice in writing from a Member signifying his intention to propose Dr. Omkar Goswami as a candidate for the office of Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of three (3) consecutive years to hold office till the conclusion of the 20<sup>th</sup> (Twentieth) Annual General Meeting (AGM) of the Company to be held for the FY 2017 and who shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 197, 198 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Dr. Omkar Goswami 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 16<sup>th</sup> AGM of the Company held on July 29, 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 and to do all such acts, deeds and things as may be necessary to give effect to the above resolution."

#### 4. Amendment to the Articles of Association of the Company

To consider, and if thought fit, to pass, with or without modification(s), the following as a **Special Resolution**:

**"RESOLVED THAT** pursuant to provisions of Section 14 and all other applicable provisions of Companies Act, 2013, read with Companies (Incorporation) Rules, 2014, including any statutory modification or amendment thereto or re-enactment thereof for the time being in force and subject to all the applicable laws and regulations, including but not limited to Listing Agreement entered with the Stock Exchanges, the approval of the Members be and is hereby accorded for the amendment to the Articles of Association of the Company by inserting the following Article no. 60A after the existing Article no. 60:

**60A. The Board may refuse to transfer the shares of the Company under the Companies Act, 2013 and the Rules made there under and decline to register such transfer, in the following circumstances:**

- Where the Transferee does not meet the 'Fit and Proper' criteria specified by the Reserve Bank of India (RBI), for the Promoters / Promoter Groups in order to be eligible to promote banks, as contained in the RBI Guidelines for Licensing of New Banks in the Private Sector dated February 22, 2013 or such other guidelines or notification or directions, issued by the RBI, from time to time.
- In case of acquisition of the Company's shares by any individual or entity or group resulting in the aggregate indirect shareholding of such individual or entity or group in IDFC Bank Limited being equivalent to 5% or more of the paid-up voting equity capital of IDFC Bank Limited, without obtaining prior approval of the RBI for such acquisition;
- In case of acquisition of the Company's shares by any individual or entity or group resulting in the aggregate indirect shareholding of such individual or entity or group in IDFC Bank Limited being in excess of 10% of the paid-up voting equity capital of IDFC Bank Limited.

Notwithstanding anything contained in these Articles of Association, the decision of the Board will be final and binding on any transfer of shares.

**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 and to do all such acts, deeds and things as may be necessary to give effect to the above resolution."

#### 5. Creation of Charge / Hypothecation on the assets of the Company, in respect of borrowings, under Section 180(1)(a) of the Companies Act, 2013

To consider, and if thought fit, to pass, with or without modification(s), the following as a **Special Resolution**:

**"RESOLVED THAT** in supersession of the Ordinary Resolution passed by the Members of the Company through Postal Ballot on November 1, 2011 under Section 293(1) (a) of the erstwhile Companies Act, 1956 and pursuant to the provisions of Section 180(1)(a), read with Section 180(1)(c) of the Companies Act, 2013, and other applicable provisions, (including any statutory modification or re-enactment thereto from time to time), Articles of Association of the Company and subject to such approvals, consents, sanctions and permissions as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called "the Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers, including the power conferred by this Resolution) for mortgaging and/ or creating a charge in such form and manner and on such terms and at such time(s) as the Board may deem fit, on the whole or substantially the whole of the undertaking of the Company, whether moveable or immovable properties of the Company, present and future wheresoever situated, in favour of Financial/Investment Institution(s) / Bank(s)/Trustees / Lenders and/or to secure the debenture/

charges, expenses and other moneys payable by the Company as per the terms and conditions of the issue of bonds/debentures issued/ proposed to be issued or the loan agreement and/or other documents pertaining to credit facilities entered into or proposed to be entered into by the Company, provided that the total amount for which such charge / mortgage / hypothecation are being created to secure the borrowings shall not, at any time exceed ₹ 80,000 crores (Rupees Eighty Thousand Crore).

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to finalize, settle and execute such documents / deeds / writings / papers / agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulties or doubts that may arise with regard to borrowings and creating mortgages / charges as aforesaid.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate to the extent permitted by law, all or any of the powers herein conferred to any Committee of Directors or the Executive Chairman, Managing Director & CEO or any other Officer or Officers of the Company to give effect to the aforesaid resolution."

Place: Mumbai  
Date : February 19, 2015

By Order of the Board of Directors

Mahendra N. Shah  
Company Secretary

**Notes:**

- The explanatory statement and reasons for the proposed Ordinary and Special Resolution(s) pursuant to Section 102 of the Companies Act, 2013, read with Section 110 of the Companies Act, 2013 and applicable Rules setting out material facts is annexed hereto.
- The Company has appointed Ms. Savita Jyoti, a Practicing Company Secretary, to act as the Scrutinizer for conducting the postal ballot voting process in a fair and transparent manner.
- The Postal Ballot Notice is being sent to the Members whose names appear on the Register of Members / list of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on Friday, February 20, 2015. The Postal Ballot Notice is being sent to Members in electronic form to the email addresses registered with their Depository Participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agents (in case of physical shareholding). For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice & Postal Ballot Form are being sent by permitted mode along with a pre-paid self-addressed Business Reply Envelope.
- Members whose names appear on the Register of Members / list of Beneficial Owners as on February 20, 2015 will be considered for the purpose of voting.
- Resolutions passed by the Members through Postal Ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.
- The date of declaration of results of the Postal Ballot shall be the date on which the resolution would be deemed to have been passed, if approved by requisite majority.
- In compliance of the provisions of Section 108 & Section 110 of the Companies Act, 2013 and Rule 20 & Rule 22 of the Companies (Management and Administration) Rules, 2014 and pursuant to Clause 35B of the Listing Agreement entered with the Stock Exchanges, the Company is pleased to provide its Members the facility to exercise their right to vote on the postal ballot through the Electronic Voting (e-voting) on all the resolutions as set out in the Notice. The Company has engaged the services of Karvy Computershare Private Limited (Karvy) to provide the e-voting facility. **E-voting is available from Friday, February 27, 2015 at 9.30 a.m. till Saturday, March 28, 2015 at 5.30 p.m.** The e-voting module shall be disabled by Karvy for voting thereafter. Members are requested to refer to instructions for e-voting, appended to this Notice.
- Members who have registered their e-mail-id either with the Depositories or with the Company are being sent Notice of Postal Ballot by e-mail and Members who have not registered their e-mail ids will receive Notice of Postal Ballot along with Postal Ballot Form through post. Members have the option either to vote through the e-voting process or through the postal ballot form. If you are opting for e-voting, then do not vote by Physical Ballot also and vice versa. In case a shareholder casts his/ her votes through both the means, voting done through electronic means shall be considered and vote cast through physical Postal Ballot Form will be treated invalid. A Member seeking duplicate form or having any grievance pertaining to the voting by Postal Ballot (including voting by electronic means) can write to our Registrar and Share Transfer Agent, Karvy Computershare Private Limited, Unit: IDFC Limited at Plot No. 17 to 24, Vittalrao Nagar, Madhapur, Hyderabad - 500 081 or Corporate Office of the Company i.e. Naman Chambers, C-32, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051, Contact person: Mr. Ketan Kulkarni, Sr Vice President, Corporate Secretarial, Email: [ketan.kulkarni@idfc.com](mailto:ketan.kulkarni@idfc.com)
- Members desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed on the reverse side of Postal Ballot Form and return the Form duly completed and signed in the enclosed pre-paid self-addressed Business Reply Envelope to the Scrutinizer so as to reach the Scrutinizer on or before Saturday, March 28, 2015 by 5.30 p.m. The postage cost will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered/speed post at the expense of the Members will also be accepted.

**Instructions for Members for e-voting are as under:**

**a) In case of Members receiving email from Karvy:**

- Open your web browser during the voting period and navigate to 'https://evoting.karvy.com' or click on the link provided in the email.
- Enter the login credentials (i.e., user-id & password) mentioned on the Postal Ballot Form. Your folio/DP ID and Client ID will be your User-ID. However, if you are already registered with Karvy for e-voting, you can use your existing User-ID and password for casting your vote.

<b>User – ID</b>	For Members holding shares in Demat Form:- a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- • Even no. (as given in Postal Ballot form) followed by Folio Number registered with the Company
<b>Password</b>	Your Unique password is printed on the Postal Ballot Form / sent to you via email.
<b>Captcha</b>	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- After entering these details appropriately, click on "LOGIN".
- Members holding shares in Demat/Physical form and using e-voting facility of Karvy Computershare Private Limited, for the first time, will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (\$,@,#, etc.). Kindly note that this password can be used by the Demat holders for voting for resolution of any other company on which they are eligible to vote, provided that company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile no, email ID etc on 1<sup>st</sup> login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- You need to login again with the new credentials.
- On successful login, system will prompt to select the 'Event' i.e., IDFC LIMITED ['Company Name'].
- If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and casted your vote earlier for any other company, then your exiting login id and password are to be used.
- On the voting page, you will see Resolution Description and against the same the options 'FOR/AGAINST' for voting. Enter the number of shares (which represents number of votes) 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.
- After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- Corporate/Institutional Members (Corporate/FIs/Flls/Trust/Mutual Funds/Banks, etc) are required to send scanned image (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to [savitajyoti@yahoo.com](mailto:savitajyoti@yahoo.com) with copy to [evoting@karvy.com](mailto:evoting@karvy.com) & [ketan.kulkarni@idfc.com](mailto:ketan.kulkarni@idfc.com). The scanned image of the Board Resolution should be in the naming format "Corporate Name\_ EVEN no."
- Please contact our toll free No. 1800 345 4001 for any further clarifications.

**b) In case of Members receiving Postal Ballot Form by Post and opting for voting through Electronic means:**

- Initial password is provided as below/at the bottom of the Postal Ballot Form.

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN

- 2) **Please follow all steps from a) above, to cast vote.**
- 3) In case you have forgotten your password, click on the "Forgot Password" link on the home page of the website <https://evoting.karvy.com>. You can retrieve your password through the following three options:
- (i) **Easy SMS:** If you have your mobile number registered against your Folio number / DP ID Client ID, send SMS: MYEPWD followed by your Folio No / DPID Client ID without any gap to 9212993399. Please make sure that your mobile is free from SMS NOT ALLOWED facility.
- (ii) **E-Voting Website:** If your e-mail is registered against your Folio number / DP ID Client ID, enter your Folio number / DP ID Client ID and PAN to receive password.
- (iii) **Customer Care:** Call the Customer Care 1800 345 4001 for related services such as to reset password, unlock the account, register new e-mail, mobile, etc. or send an email to [evoting@karvy.com](mailto:evoting@karvy.com).
- c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of <https://evoting.karvy.com> or contact Karvy Computershare Private Limited at the Telephone No.: (Toll Free No.: 1800 345 4001)
- d) If you are already registered with Karvy Computershare Private Limited for e-voting then you can use your existing user ID and password for casting your vote.
- e) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- f) 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 of February 20, 2015.

#### **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

##### **Item no 1 to 3**

Mr. S. S Kohli, Ms. Marianne Økland and Dr. Omkar Goswami are Independent Directors of the Company (appointed pursuant to Clause 49 of the Listing Agreement), whose terms of office were liable to retirement by rotation under the erstwhile applicable provisions of the Companies Act, 1956. Out of the above three directors, Mr. S. S. Kohli and Ms. Marianne Økland were liable to retire by rotation at the 18<sup>th</sup> AGM of the Company to be held for FY 2015 and Dr. Omkar Goswami at the 19<sup>th</sup> AGM of the Company to be held for FY 2016, under the erstwhile Companies Act, 1956.

Pursuant to the provisions of Section 149 of the Act, every listed public company is required to have at least one-third of the total number of directors as Independent Directors. Further, it states that the provisions relating to retirement of directors by rotation shall not apply to the appointment of independent directors. Additionally, the Ministry of Corporate Affairs, Government of India, by a notification, has clarified that if a company intends to appoint existing independent directors as independent directors under the Act, such appointment must be made expressly within one year from April 1, 2014.

Pursuant to the above provisions of the Companies Act, 2013 and notification of Ministry of Corporate Affairs and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on January 23, 2015 appointed the following directors as IDs of the Company –

1. Mr. S. S Kohli (date of appointment as ID – April 27, 2005)
2. Ms. Marianne Økland (date of appointment as ID – October 1, 2011)
3. Dr. Omkar Goswami (date of appointment as ID – January 24, 2003)

The shareholders of the Company at the 17<sup>th</sup> AGM held on July 23, 2014 approved the appointment of Mr. S. H Khan, Mr. Gautam Kaji and Mr. Donald Peck as IDs of the Company. Accordingly, the consent of the shareholders is now sought for the appointment of the other existing IDs of the Company namely Mr. S. S Kohli, Ms. Marianne Økland and Dr. Omkar Goswami. There are no inter-se relationships between Board members of the Company.

The Company has received notices in writing under the provisions of Section 160 of the Companies Act, 2013 from Members along with a deposit of ₹ 1,00,000/- each proposing the candidatures of the above three directors for the office of IDs.

All the above IDs have given a declaration of Independence pursuant to Section 149(6) and 149(7) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Qualification of Directors) Rules, 2014 along with their affirmation to the Code of Independent Directors as prescribed under Schedule IV of the Companies Act, 2013.

In the opinion of the Board, the above three directors fulfill the conditions specified in the Companies Act, 2013 and the Rules made thereunder and they are Independent of the Management.

The Board considers that their continued association would be of immense benefit to the Company and it is therefore desirable to continue to avail the services of the aforesaid directors. The detailed profiles of all the proposed appointee directors has been given in the Exhibit to this Notice.

The above directors are proposed to be appointed as IDs for a period of 3 (Three) consecutive years to hold office till the conclusion of the 20<sup>th</sup> (Twentieth) AGM of the Company to be held for the FY 2017 and they shall not be liable to retire by rotation.

Except Mr. S. S. Kohli, Ms. Marianne Økland and Dr. Omkar Goswami, 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 the Ordinary Resolutions as contained in the Notice.

All the documents pertaining to the appointment of IDs are open for inspection between 10:00 a.m. to 1:00 p.m. on all working days at the Corporate Office of the Company i.e. Naman Chambers, C-32, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 and at the Registered Office i.e. KRM Tower, 8th Floor, No. 1, Harrington Road, Chetpet, Chennai - 600 031.

##### **Item No 4**

RBI has released Guidelines for Licensing of New Banks in the Private Sector on February 22, 2013 (the "Guidelines"). The Guidelines state that the promoters/promoter groups will need to be 'fit and proper' in order to be eligible to promote banks through a wholly owned non-operative financial holding company. IDFC Limited ("IDFC" or "the Company") has been identified as the promoter of IDFC Bank Limited ("IDFC Bank") by the Reserve Bank of India ("RBI") and will hold majority of the share capital of IDFC Bank through its wholly owned subsidiary IDFC Financial Holding Company Limited ("IDFC FHCL").

IDFC is a listed entity and does not have an identified promoter group holding a significant shareholding. As a result, the Company may be vulnerable to a hostile takeover by any person who buys shares of the Company and triggers the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. If successful, a hostile takeover of the Company will result in indirect takeover of IDFC Bank as well.

Based on the conditions prescribed and coupled with the requirements imposed by the Guidelines that the promoters/promoter groups of new banks need to be 'fit and proper' in order to be eligible to promote banks, it is proposed that the Company imposes restrictions on the transfer of its shares in its Articles of Association so that any potential transferee acquiring shares in IDFC which result in triggering the threshold limits in IDFC Bank Limited, will need to comply with the 'fit and proper' criteria and other conditions as mentioned in the Guidelines.

Further, Section 58 of the Companies Act, 2013 provides that the shares of a public company are freely transferable. However, Section 58(4) recognises that in certain cases, the board of directors of a company can refuse to register a transfer. Such a refusal can only be made for "sufficient cause". The power to refuse a transfer can only be used in very limited circumstances.

In order to insert restrictions relating to transfer of shares in certain circumstances, it is accordingly proposed to insert Clause 60A after the existing Clause 60 of the Articles of Association ("AoA") to give effect to the above.

The Board of Directors recommend passing of the Special Resolution as contained in the Notice.

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 except to the extent of their shareholding in the Company.

The Draft AoA of the Company will be open for inspection between 10:00 a.m. to 1:00 p.m. on all working days at the Corporate Office of the Company i.e. Naman Chambers, C-32, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 and at the Registered Office i.e. KRM Tower, 8th Floor, No. 1, Harrington Road, Chetpet, Chennai - 600 031.

##### **Item no 5**

Under the erstwhile Section 293(1)(a) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the Financial Institutions/ Banks/ lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of monies borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

The shareholders of the Company, through postal ballot dated November 1, 2011 had accorded their consent to the Board of Directors for creation of charge/mortgage/ hypothecation for an amount not exceeding ₹ 80,000 crore. Further, the shareholders at the 17<sup>th</sup> AGM of the Company had approved the proposal, by passing a special resolution, to borrow monies upto ₹ 80,000 crore under Section 180(1)(c) of the Companies Act, 2013.

Under the provisions of Section 180(1)(a) of the Act, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution by way of Postal Ballot, to enable the Board of Directors of the Company to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in respect of borrowings under Section 180(1)(a) of the Act. Creation of charge/providing of security on the assets of the Company for the purpose of borrowing may be deemed as disposal of the whole or substantially whole of one or more of the Company's undertaking, as the documents, to be executed between the lenders/security holders/ trustees for the holders of the securities and the Company, may contain provisions to take over as the substantial assets of the Company in certain events of default, it is necessary to obtain members' approval by way of a Special Resolution under Section 180 (1)(a) of the Act for creation of charge/mortgage/hypothecation for an amount not exceeding ₹ 80,000 crore outstanding at any point of time.

The Board of Directors recommend passing of the Special Resolution as contained in the Notice.

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.

Place: Mumbai

By Order of the Board of Directors

Date: February 19, 2015

Mahendra N. Shah  
Company Secretary

EXHIBIT TO NOTICE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, following information is furnished in respect of Directors proposed to be appointed / re-appointed.

Name of the Director	Mr. Surinder Singh Kohli	Ms. Marianne Økland	Dr. Omkar Goswami
Date of Birth	April 10, 1945	May 3, 1962	August 29, 1956
Date of Appointment	April 27, 2005	October 1, 2011	January 24, 2003
Qualifications	Bachelor's Degree In Science in Mechanical Engineering, CAIIB and has done Diploma in Industrial Finance from Indian Institute of Bankers.	Master of Science degree in Finance and Economics from the Norwegian School of Economics and Business Administration.	Masters in Economics from the Delhi School of Economics and D.Phil (Ph.D)
Detailed Profile including Nature of Expertise	Mr. Kohli has over 40 years of experience in the banking sector. He has been the Chairman and Managing Director of the Punjab and Sind Bank and Punjab National Bank. He has also served as the Chairman and Managing Director of India Infrastructure Finance Company Limited and has also held the Chairmanship of the Indian Banks' Association and has chaired several committees associated with financial sector policy.	Ms. Økland currently holds the position of Non Executive Director of Islandsbanki. She is also a Managing Director of Avista Partners, a London-based consulting firm specialising in advisory and capital raising. She has spent most of her career in banking, dealing with debt financing in various positions at JP Morgan and Union Bank of Switzerland (UBS) focusing on Nordic debt origination and structuring. She is also familiar with the consulting business from her work at Marsoft Limited, a consulting firm specialising in shipping investments and based in Boston, Oslo and London.	Dr. Goswami has vast experience in Economic History, Industrial Economics, Public Sector, Bankruptcy Laws and Procedures, Economic Policy, Corporate Finance, Corporate Governance, Public Finance, Tax Enforcement and Legal Reforms. He has been a consultant to the World Bank, the IMF, the Asian Development Bank and the OECD. He was the Chairman of the Committee on Industrial Sickness and Corporate Restructuring in 1993, which recommended revamping India's Bankruptcy Laws and Procedures; Member of the Working Group on the Companies Act; the CII Committee on Corporate Governance; the Rakesh Mohan Committee on Railway Infrastructure Reform and others.
Directorships held in other companies	<ol style="list-style-type: none"> <li>S V Creditline Private Limited</li> <li>PTC India Financial Services Limited</li> <li>ACB (India) Limited</li> <li>IL&amp;FS Financial Services Limited</li> <li>Reliance Infrastructure Limited</li> <li>SICOM Limited</li> <li>BSES RAJDHANI POWER LIMITED</li> <li>BSES YAMUNA POWER LIMITED</li> <li>Essar Steel India Limited</li> <li>Seamac Limited</li> <li>Asian Hotels (West) Limited</li> </ol> <p><b>Foreign Companies</b></p> <ol style="list-style-type: none"> <li>IL&amp;FS Global Financial Services (UK) Limited</li> <li>IL&amp;FS Global Financial Services (ME) Ltd</li> </ol>	<p><b>Foreign Companies</b></p> <ol style="list-style-type: none"> <li>Islandsbanki Hf- Iceland</li> <li>Scorpio Tankers Inc</li> </ol>	<ol style="list-style-type: none"> <li>CERG Advisory Private Ltd</li> <li>Dr. Reddy's Laboratories Ltd</li> <li>DSP BlackRock Investment Mangers Pvt Ltd</li> <li>Crompton Greaves Ltd</li> <li>Ambuja Cements Ltd</li> <li>Cairn India Limited</li> <li>Godrej Consumer Products Ltd</li> <li>Bajaj Finance Limited</li> <li>Max Healthcare Institute Limited</li> <li>Infosys BPO Limited</li> </ol>
Memberships / Chairmanships of Committees [includes only Audit and Stakeholders' Relationship Committee]	<p><b>Chairman of:</b></p> <ol style="list-style-type: none"> <li>Audit Committee of IL&amp;FS Financial Services Limited</li> <li>Audit Committee of Reliance Infrastructure Limited</li> </ol> <p><b>Member of:</b></p> <ol style="list-style-type: none"> <li>Audit Committee of ACB (India) Limited</li> <li>Audit Committee of BSES RAJDHANI POWER LIMITED</li> <li>Audit Committee of BSES YAMUNA POWER LIMITED</li> <li>Audit Committee of Essar Steel India Limited</li> <li>Stakeholders Relationship Committee of Reliance Infrastructure Limited</li> </ol>	<p><b>Member of :</b></p> <p>Audit Committee of IDFC Limited</p>	<p><b>Chairman of:</b></p> <ol style="list-style-type: none"> <li>Stakeholders' Grievance Committee of Cairn India Limited</li> </ol> <p><b>Member of:</b></p> <ol style="list-style-type: none"> <li>Audit Committee of IDFC Limited</li> <li>Audit Committee of Dr Reddy's Laboratories Limited</li> <li>Audit Committee of Ambuja Cements Limited</li> <li>Audit Committee of Cairn India Limited</li> <li>Audit Committee of Godrej Consumer Products Limited</li> <li>Audit Committee of Bajaj Finance Limited</li> <li>Audit &amp; Risk Management Committee of Crompton Greaves Limited</li> <li>Audit Committee of Infosys BPO Limited</li> </ol>
Number of Equity Shares held in the Company	NIL	NIL	NIL



# IDFC Limited

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

**Regd. Office:** KRM Tower, 8th Floor, No. 1, Harrington Road, Chetpet, Chennai - 600 031. Tel: + 91 44 4564 4000 Fax: +91 44 4564 4022

**Corp. Office:** Naman Chambers, C-32, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051. Tel: + 91 22 4222 2000 Fax: +91 22 2654 0354

## POSTAL BALLOT FORM

(To be returned to the Scrutinizer appointed by the Company)

Serial No. \_\_\_\_\_

(1) Name & Registered Address of the sole/first named Member (IN BLOCK LETTERS) :

(2) Name(s) of the joint holder(s), if any :

(3) Registered Folio No. / \*DP ID No. / Client ID No. (\*Applicable to Member(s) holding shares in dematerialised form) :

(4) Number of shares held :

(5) I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed through Postal Ballot for the business stated in the Postal Ballot Notice of the Company dated February 19, 2015 by sending my/our assent (FOR) or dissent (AGAINST) to the said resolution by placing the tick (✓) mark at the appropriate box below.

STAMP  
9 FEB 2015

Item No.	Description of Resolution	No. of Shares held by me / us	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1	Appointment of Mr. Surinder Singh Kohli (DIN 00169907) as an Independent Director as an Ordinary Resolution.			
2	Appointment of Ms. Marianne Økland (DIN 03581266) as an Independent Director as an Ordinary Resolution.			
3	Appointment of Dr. Omkar Goswami (DIN 00004258) as an Independent Director as an Ordinary Resolution.			
4	Amendment to the Articles of Association of the Company by inserting clause relating to restriction on transfer of shares in certain circumstances as a Special Resolution.			
5	Creation of charge / Hypothecation on the assets of the Company, in respect of borrowings, under Section 180(1)(a) of the Companies Act, 2013.			

Place :

Date :

(Signature of the Member)

# Email: \_\_\_\_\_ #Tel. No.: \_\_\_\_\_ # Optional

### Electronic Voting Particulars

EVEN (E-Voting Event Number)	User ID	Password / PIN

#### Notes:

- Please read the instructions printed overleaf carefully before filling the Form and for e-voting, please refer to the Instructions for voting through electronic means provided in the Postal Ballot Notice sent herewith.
- Last date for receipt of Postal Ballot Forms by Scrutinizer is Saturday, March 28, 2015 before 5.30p.m.

Printed by: jai vaishali 022-43-126200 • e-mail: helpdesk@idfc.com

## INSTRUCTIONS

1. A Member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form (no other form or photocopy thereof is permitted) and send it to the Scrutinizer in the attached pre-paid self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Form(s), if sent by courier or registered/speed post at the expense of the Member will also be accepted.  
  
Alternatively, a member may vote through electronic mode as per instructions for voting through electronic means provided on the Postal Ballot Notice sent herewith.
2. This Form should be completed and signed by the Member [as per the specimen signature registered with the Company/Depository Participant(s)]. In case of joint holding, this Form should be completed and signed by the first named Member and in his absence, by the next named Member. In case Postal Ballot Form is signed through a Delegates, a copy of Power of Attorney attested by the Member shall be annexed to the Form.
3. The consent must be accorded by recording the assent in the Column 'FOR' and dissent in the Column 'AGAINST' by placing a tick (✓) mark in the appropriate column.
4. The shareholder can opt to vote either through physical Postal Ballot Form or through electronic mode of voting. In case a shareholder casts his/ her votes through both the means, voting done through electronic means shall be considered and vote cast through physical Postal Ballot Form will be treated invalid.
5. Duly completed Postal Ballot Form should reach the Scrutinizer not later than 5.30 p.m. on Saturday, March 28, 2015. All Postal Ballot Forms received after this date will be strictly treated as if reply from such Member has not been received.
6. In case of shares held by companies, trusts, societies etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board Resolution/Authority Letter together with the attested specimen signature(s) of the duly authorised signatories.
7. A member seeking duplicate Form or having any grievance pertaining to the voting by Postal Ballot including voting by electronic means can write to our Registrar & Share Transfer Agent : Karvy Computershare Private Limited, Unit: IDFC Limited, Plot No. 17 to 24, Vittalrao Nagar, Madhapur, Hyderabad - 500 081 or Corporate Office of the Company i.e. Naman Chambers, C-32, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051, Contact person: Mr. Ketan Kulkarni, Sr Vice President, Corporate Secretarial, E-mail: ketan.kulkarni@idfc.com
8. 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 of February 20, 2015.
9. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed pre-paid self-addressed Business Reply Envelope. Any extraneous paper found in such envelope would not be acted upon and would be destroyed by the Scrutinizer.
10. A Member need not use all the votes nor needs to cast all the votes in the same way.
11. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected. The Scrutinizer's decision regarding the validity of a Postal Ballot will be final and binding.
12. The result of the Postal Ballot will be announced on Monday, March 30, 2015 and will be posted on the website of the Company [www.idfc.com](http://www.idfc.com). The result will also be published in the newspaper(s) and will be displayed at the Registered Office and Corporate Office of the Company.