

IDFCFIRSTBANK/SD/100/2024-25

June 08, 2024

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051.
NSE Symbol - IDFCFIRSTB

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai 400 001.
BSE Scrip Code - 539437

Sub.: Newspaper publication of Notice of hearing of the Joint Petition, in relation to the Composite Scheme of Amalgamation among IDFC Financial Holding Company Limited, IDFC Limited and IDFC FIRST Bank Limited

This is with reference to the Composite Scheme of Amalgamation among IDFC Financial Holding Company Limited, IDFC Limited and IDFC FIRST Bank Limited (collectively referred as "**Petitioner Companies**") and their respective Shareholders, under Sections 230 to 232 read with other applicable provisions of the Companies Act, 2013 ("**Scheme of Amalgamation**").

With regards to the above, the Petitioner Companies have filed a Joint Petition on May 24, 2024 with the Hon'ble National Company Law Tribunal, Chennai Bench ("**NCLT**"), seeking the sanction of the Scheme of Amalgamation.

We would like to inform you that the NCLT has vide its order dated May 29, 2024, admitted the aforesaid Joint Petition and has fixed July 24, 2024 as the date of hearing for the aforesaid Joint Petition.

In accordance with the aforesaid NCLT order, please find enclosed the copies of newspaper publications of Notice of hearing of Joint Petition, published today in "Business Line" (All India edition), "Makkal Kural" (Tamil edition) and "Nava Bharat"(All India Hindi edition).

The aforesaid newspaper clippings and NCLT order are also available on website of the Bank i.e. www.idfcfirstbank.com.

You are requested to kindly take the above on record.

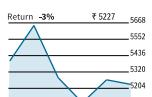
Yours faithfully,
For **IDFC FIRST Bank Limited**

Satish Gaikwad
Head – Legal & Company Secretary



QUICKLY.

Nalanda Capital sells 1.2% stake in Thermax



New Delhi: Singapore-based Nalanda Capital on Friday divested a 1.2 per cent stake in energy and environment solutions provider Thermax for ₹765 crore through an open market transaction. Nalanda Capital through its affiliate, Nalanda India Equity Fund Ltd offloaded 15 lakh shares of Thermax at an average price of ₹5,100.26 on the BSE. After the share sale, the shareholding of Nalanda Capital in Thermax has declined to 5.6 per cent from 6.86 per cent. Meanwhile, SBI Mutual Fund purchased 13.74 lakh shares, representing a 1.15 per cent stake in Thermax. Details of other buyers could not be ascertained. *pn*

SEBI to allow mutual funds to buy and sell credit default swaps

GREATER FLEXIBILITY. Additional investment product for MFs will aid in increasing liquidity at corporate bond market

Our Bureau
Mumbai

Market regulator SEBI will soon allow mutual funds to sell a new investment product on credit default swaps (CDS). The product will be allowed to buy and sell CDS to benefit investors.

A CDS is a credit derivative contract which acts as an insurance against credit default.

For instance, if a mutual fund invests in a corporate bond yielding 7 per cent per annum, it can sell CDS as an insurance by paying a premium of about 0.50 bps. In case of default in the corporate bond, the buyer of CDS (insurance company) will pay principal amount along with the interest.

However, SEBI will allow MFs to buy CDS only for the purpose of hedge and any naked exposure may not be allowed as it leads to speculative position being held by mutual funds, clarified the regulator.

Hence, mutual funds have to buy a secured instrument such as government securities or treasury bills to protect investors' interest.

In a consultation paper issued on Friday, SEBI said in order to provide additional investment products for the mutual funds, SEBI is considering to allow them to sell CDS for the purpose of taking exposure in synthetic corporate bonds, i.e., a position created by selling credit default swap and buying G-Sec/T-bills.

HOW CDS WORKS

- A credit default swap (CDS) is a financial derivative that allows an investor to swap or offset his credit risk with that of another investor.
- To swap the risk of default, the lender buys a CDS from another investor who agrees to reimburse him if the borrower defaults.
- A CDS allows investors to hedge against unexpected market volatility and other risk factors.

Stakeholders can send in their suggestions on the consultation paper by July 1.

RISK MANAGEMENT

In the recent revised guidelines, RBI has included



framework to ensure adequate risk management. "The same will serve as an additional investment product for MFs and also aid in increasing liquidity in the corporate bond market," it said.

Under the current regulatory framework, MFs are allowed to only buy credit protection to hedge the credit risk on corporate bonds held by them. Moreover, the transaction can be undertaken by MFs only in the portfolio of Fixed Maturity Plans schemes having tenure of more than one year. SEBI has now proposed to allow participation of Mutual Funds in CDS buying (for all schemes), CDS selling (for all schemes except Overnight and Liquid). A detailed framework in this regard is expected soon.

Delayed NAV on June 4 not due to tech glitch, says BSE

Press Trust of India

New Delhi

BSE Friday said lag in receiving payments from banks led to delay in assigning NAV to investors who bought mutual funds on June 4 and there was no technical glitch at its end.

Many investors had complained on social media for failing to square off their positions.

Several investors purchased their mutual funds before the cut-off time, although they were assigned the New Asset Value (NAV), which determines the fund's value for June 5 instead of June 4. This resulted in substantial financial losses to such investors.

The clarification came after several broking platforms alleged BSE for a glitch in the mutual fund system of the exchange on June 4, which led the orders to go through the next day (June 5), when the equity markets had partially recouped some of their losses.

Torrent group's market-cap doubles to \$20 b in one year

Press Trust of India

Mumbai

Diversified Torrent Group crossed \$20 billion (\$16.8-lakh crore) in market capitalisation on Friday, nearly doubling the market value on the back of robust growth across businesses spanning from pharma to energy. Torrent Group had an m-cap of \$10.8 billion (\$90,230 crore) on June 6, 2023.

On Friday, two listed companies of the group, Torrent Pharmaceuticals and Torrent Power, gained 2.22 per cent and 2.24 per cent respectively, setting a new milestone for the group's market capitalisation at \$20.2 billion at the close of market hours, according to stock exchange data.

Shares of the group's flagship Torrent Pharmaceuticals ended at \$2,838 and Torrent Power at \$1,492.35 on the NSE.

Steady growth in the

Torrent Pharma

Return 5% ₹ 2842 → 3890



group's market capitalisation mirrors robust financial performance, sustained growth trajectory and business expansions across verticals.

At the core of its growth strategy is the business model driven by acquisitions.

SUCCESSION PLAN

The group has already implemented a succession plan where the third generation of the founder late UN Mehta has assumed all prominent driving seats across businesses.

Torrent Pharma has been an early mover into acquisitions when it acquired Elder

Pharma in 2013, followed by a spree of acquisitions with latest being Curatio in 2022 to foray into the dermatology segment.

Recently, it inked a pact with Takeda Pharmaceuticals to commercialise its novel gastrointestinal drug Vonoraprazan in India under the Torrent brand name of Kabie for treatment of acid related disorders – Gastroesophageal Reflux Disease (GERD).

Torrent Pharma reported a 33 per cent jump in the net profit at ₹1,656 crore for the fiscal 2023-24 with a revenue growth of over 12 per cent at ₹10,724 crore.

The company earns about 50 per cent of its revenues from the domestic market.

During the past year, Torrent Pharma's India business grew by 10 per cent, while on a MAT (moving annual turnover) basis, the company has outperformed the market across all focus therapies aided by strong new launch

products.

Recently, we expect that the bank tickled all the right boxes on quality, growth and profitability. Loan growth was healthy 15.8 per cent while deposit growth picked up to 11.1 per cent in a difficult liquidity environment while the bank managed to maintain CASA levels at healthy 41.1 per cent.

All these reflecting in protection of the bank's market share in an intensely competitive scenario. Credit cost declined to 23bps for the year (-27bps YoY vs 187bps in FY20) and ROA crossed 1 per cent (per cent in FY24) mark after FY09 on annual basis. Although the one time impact of wage revision and provisions for pension liabilities resulted in higher risk (opex ratio at 2.02 per cent vs 1.87 per cent YoY), robust credit growth, relatively steady NIM (at 3.28 per cent vs 3.37 per cent YoY) and lower provisions resulted in healthy PAT growth (+22% YoY).

In terms of capital, CET1 ratio for SBI increased by 9bps YoY (at 10.36 per cent vs 10.27 per cent in FY23) despite increase in risk weighted assets by RBI in Nov'23, indicating robust capital management. CAR for the standalone bank now stands at 14.25 per cent.

Given improving credit demand (especially in wholesale segment) and expected pickup in prime apex, SBI is set to deliver mid-teens credit growth in the near term. While the stock is trading at the upper end of its historical band (core bank trading at 10X FY26 P/B), we believe the case for re-rating of valuations could only be due to macro risks or reliance of credit metrics (which still remains a key discussion point for PSU banks). We maintain our Buy rating with TP of ₹1050.

BROKER'S CALL.

JM Financial

SBI (BUY)

Target: ₹1,050

CMP: ₹29.90

State Bank of India's FY24 annual report reflects that the bank tickled all the right boxes on quality, growth and profitability. Loan growth was healthy 15.8 per cent while deposit growth picked up to 11.1 per cent in a difficult liquidity environment while the bank managed to maintain CASA levels at healthy 41.1 per cent.

All these reflecting in protection of the bank's market share in an intensely competitive scenario. Credit cost declined to 23bps for the year (-27bps YoY vs 187bps in FY20) and ROA crossed 1 per cent (per cent in FY24) mark after FY09 on annual basis. Although the one time impact of wage revision and provisions for pension liabilities resulted in higher risk (opex ratio at 2.02 per cent vs 1.87 per cent YoY), robust credit growth, relatively steady NIM (at 3.28 per cent vs 3.37 per cent YoY) and lower provisions resulted in healthy PAT growth (+22% YoY).

In terms of capital, CET1 ratio for SBI increased by 9bps YoY (at 10.36 per cent vs 10.27 per cent in FY23) despite increase in risk weighted assets by RBI in Nov'23, indicating robust capital management. CAR for the standalone bank now stands at 14.25 per cent.

Given improving credit demand (especially in wholesale segment) and expected pickup in prime apex, SBI is set to deliver mid-teens credit growth in the near term. While the stock is trading at the upper end of its historical band (core bank trading at 10X FY26 P/B), we believe the case for re-rating of valuations could only be due to macro risks or reliance of credit metrics (which still remains a key discussion point for PSU banks). We maintain our Buy rating with TP of ₹1050.

Motilal Oswal

BEL (BUY)

Target: ₹210

CMP: ₹283.10

Despite the reduced majorly, we expect that the upcoming government's policy focus on investment-led growth, space, infrastructure, manufacturing and defense will continue. Particularly for the defense sector, the government initiated several initiatives in 3-4 years, such as indigenization, higher private sector participation, and increasing defense exports, and we expect a similar focus to continue going forward too.

Given that the sector is closely linked to national security, we do not see possibility of re-orientation in defense policy. While a slight tinkering might not be ruled out, we do not foresee any major policy shift that can potentially lead us to revisit our thesis, which remains unchanged.

Accordingly, we continue to like Bharat Electronics (BEL) in the defense space, given its presence across highly specialized defense electronics segment. The company's order inflow for FY24 were ahead of its guidance, thereby hedging it against any slowdown in order inflow in FY25. With a strong order book, stable gross margin and efficient control over working capital, we expect BEL to continue to benefit from defense spending.

Further, the company had a cash surplus of ₹1,000 crore (as of FY24), providing scope for further capacity expansion.

We thus maintain our estimates and Buoy rating on BEL with an unchanged TP of ₹310, based on 35x two-year forward earnings.

Key risks: A slowdown in order inflows from the defense and non-defense segments, increased competition, further delays in finalization of large tenders, a sharp rise in commodity prices and delays in payments from MoD can adversely impact our estimates on revenues, margins and cash flows.

COCHIN INTERNATIONAL AIRPORT LIMITED

TENDER NOTICE

08.06.2024

Sealed bid rate tends are invited for the below mentioned work to be carried out on the reported electrical works at the Cochin International Airport.

The cost of tender documents is ₹3,000 + GST.

NOTICE INVITING TENDER

The Tata Power Company Limited invites sealed bids from suitable vendors for the following tender package (Two-part Bid):

(i) RCC & miscellaneous Civil works for 100 KV substation at Tata Power Peacock Reserve Station, Latur.

Interested and eligible bidders for above Tender Package to submit Tender Fee and Authorization Letter on behalf of ₹100,000 of ₹14,200,000. For more details regarding the tender, please visit the Tender section on the website <https://www.tatapower.com>. Future conendum (If any), the bidder will be informed on the Tender section on website <https://www.tatapower.com>.

The company is into cash management and is engaged in in-

Correction may bring in FPI flows: Jefferies' Wood

Ashley Coutinho
Mumbai

greatest in the mid-cap space. The Nifty MidCap 100 Index now trades at 30.7x one-year forward earnings, compared with 19.7x for the Nifty.

"There will be a temptation for investors to tilt the portfolio more towards consumption plays, relative to investment plays, from the view that the incoming government will focus more on population growth," he said.

Under the current regulatory framework, MFs are allowed to only buy credit protection to hedge the credit risk on corporate bonds held by them. Moreover, the transaction can be undertaken by MFs only in the portfolio of Fixed Maturity Plans schemes having tenure of more than one year. SEBI has now proposed to allow participation of Mutual Funds in CDS buying (for all schemes), CDS selling (for all schemes except Overnight and Liquid). A detailed framework in this regard is expected soon.

Foreign investors will view any significant correction as an opportunity to add Indian equities. Jefferies' Christopher Wood said in his weekly newsletter *Greed & Fear*.

"A combination of India's outperformance in recent quarters and high valuations, particularly in the mid-cap space, has meant that most dedicated emerging market investors are no longer overweight."

Foreign investors have been net sold \$3.98 billion of equities so far in 2024, after buying \$21.4 billion in 2023.

Wood said the RBI has room to cut rates if necessary as the real policy rate, deflated by CPI inflation, is now 1.6 per cent. Expressing surprise that the market had not fallen more in recent days, Wood said the risk of further corrections remains

payout ratio of about 25 per cent, it said adding that CMS Info has demonstrated strong market leadership positions with attractive margin and return profile.

According to IIFL Securities, which also maintained its Buy stance on the stock with a target price of ₹520, said CMS expects FY26 revenue in the upper half of ₹2,500-2,700 crore. Management highlighted significant growth opportunities in Retail Cash Management (RCM) and AIoT remote monitoring and stated its intent to expand into logistics services and specialised logistics.

Another domestic brokerage DAM Capital (formerly IDFC Securities) said: "Our thesis on CMS Info Systems as a cost-effective partner for non-core operations for the BFSI industry remains intact. Size, scale benefits and debt-free/cash rich balance sheet provide it an enviable competitive advantage in CM - a growing cash generating business - which in turn is helping it deepen its reach in various MS verticals while also increasing wallet-share with existing clients."

CMS Info Systems turns 'cash chip'

as stock doubles from IPO price

+

CMS Info Systems turns 'cash chip'

as stock doubles from IPO price

KS Badri Narayanan

Chennai

Shares of CMS Info Systems have been on the rise on Friday hit an all-time high of ₹474.20 on the BSE, as analysts remained bullish on the stock due to its strong fundamental, besides future growth potential. The stock closed at ₹465.25 – a gain of 115 per cent for its IPO investors.

Jeffries, global investment advisor to the stock, said Revenues can grow at 30 per cent+ CAGR and share could rise from 5-7 per cent of total with good margins. CMS is set to ramp up remote monitoring system that is stronger platform & applied at 25k ATMs, bank/ NBFCs/ insurance branches & retail outlets. "Scale up of RUMS, diversification into bullion-logistics and collections with cash management growth will aid 20 per cent CAGR in profit," it added. Remaining Bearer on the stock with a price target of ₹600.

The company is into cash management and is engaged in in-

stalling, maintaining and managing assets and technology solutions on an end-to-end basis for various sectors, organised finance and e-commerce companies in India.

It launched its IPO in December 2021, with a price band of ₹205-216.

BROKERS' UPBEAT

Asian Capital Securities, in a note, said: "We maintain a Buy rating on the company and revised FY26 P/E multiple from 16x to 18x, considering strong revenue visibility and order book wins, resulting in a target price of ₹560 based on FY26 EPS estimate of ₹31." The company has a dividend

payment ratio of about 25 per cent, it said adding that CMS Info has demonstrated strong market leadership positions with attractive margin and return profile.

According to IIFL Securities, which also maintained its Buy stance on the stock with a target price of ₹520, said CMS expects FY26 revenue in the upper half of ₹2,500-2,700 crore. Management highlighted significant growth opportunities in Retail Cash Management (RCM) and AIoT remote monitoring and stated its intent to expand into logistics services and specialised logistics.

Another domestic brokerage DAM Capital (formerly IDFC Securities) said: "Our thesis on CMS Info Systems as a cost-effective partner for non-core operations for the BFSI industry remains intact. Size, scale benefits and debt-free/cash rich balance sheet provide it an enviable competitive advantage in CM - a growing cash generating business - which in turn is helping it deepen its reach in various MS verticals while also increasing wallet-share with existing clients."

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

CA(1A)/No.52/2024
Connected With
CA(1A)/JN/No.2/2024

In the Matter of Sections 230 to 232 read with other applicable provisions of the Companies Act, 2013

For the Disposal of Assets by the Company

In the matter of Company Scheme of Amalgamation

AMONG

IDFC Financial Holding Company Limited AND IDFC Limited AND IDFC FIRST Bank Limited and their respective shareholders

IDFC FINANCIAL HOLDING COMPANY LIMITED

CIN: U65900TN2014PLC097942

A company incorporated under the provisions of the Companies Act, 2013, having its

Registered Office at 4th Floor, Capitale Tower,

555 Anna Salai, Thiruv Kudiyuruppu,

Teynampet, Chennai, Tamil Nadu - 600018.

...PETITIONER NO. 1/TRANSFEROR COMPANY

IDFC FIRST BANK LIMITED

CIN: L65110TN2014PLC097792

A company incorporated under the provisions of the Companies Act, 2013, having its

Registered Office at KRM Tower, 7th Floor,

No. 1, Harrington Road, Chetpet,

Chennai, Tamil Nadu - 600031

...PETITIONER NO. 2/TRANSFeree COMPANY/AMALGAMATING Company

NOTICE OF HEARING OF THE PETITION

A Joint Petition under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 seeking an order for amalgamation of the Scheme of Amalgamation of IDFC Financial Holding Company Limited ("Petitioner No. 1") and IDFC FIRST Bank Limited ("Petitioner No. 2") (collectively referred as "Petitioner Companies") and their respective shareholders presented by the Petitioner Companies on May 24, 2024, an order dated May 24, 2024, was admitted and fixed for hearing before the National Company Law Tribunal, Chennai Bench, on July 24, 2024, for considering the approval of the Scheme as sought for.

Any person desirous of supporting or opposing the said Joint Petition should file a written application with the National Company Law Tribunal, Chennai Bench, on or before the date of hearing of the Scheme, or any extension of the date of hearing of the Scheme, or any adjournment of the date of hearing of the Scheme, or any other date as may be fixed by the National Company Law Tribunal, Chennai Bench, for hearing of the Scheme as sought for.

A copy of the Joint Petition will be furnished by the undersigned on payment of the prescribed charges for the same.

Date: June 7, 2024

Place: Chennai

Sd/- Advocate for Petitioner Companies

Preeti Mohan

No. 5, 1st and 2nd Floor, 8th Street, R.K. Salai,

Mylapore, Chennai - 600 004.

Sd/- Advocate for Petitioner Companies

Shivam

No. 1, 2nd and 3rd Floor, 8th Street, R.K. Salai,

Mylapore, Chennai - 600 004.

Sd/- Advocate for Petitioner Companies

Shivam

No. 1, 2nd and 3rd Floor, 8th Street, R.K. Salai,

Mylapore, Chennai - 600 004.

Sd/- Advocate for Petitioner Companies

Shivam

No. 1, 2nd and 3rd Floor, 8th Street, R.K. Salai,

Mylapore, Chennai - 600 004.

Sd/- Advocate for Petitioner Companies

Shivam

No. 1, 2nd and 3rd Floor, 8th Street, R.K. Salai,

Mylapore, Chennai - 600 004.

Sd/- Advocate for Petitioner Companies

Shivam

No. 1, 2nd and 3rd Floor, 8th Street, R.K. Salai,

Mylapore, Chennai - 600 004.

Sd/- Advocate for Petitioner Companies

Shivam

No. 1, 2nd and 3rd Floor, 8th Street, R.K. Salai,

Mylapore, Chennai - 600 004.

Sd/- Advocate for Petitioner Companies

Shivam

No. 1, 2nd and 3rd Floor, 8th Street, R.K. Salai,

Mylapore, Chennai - 600 004.

