

May 22, 2023

**The Manager – Listing Department
National Stock Exchange of India Limited**
Exchange Plaza, 5th Floor,
Bandra-Kurla-Complex,
Bandra (East), Mumbai - 400 051
NSE symbol: IDFC

**The Manager – Listing Department
BSE Limited**
2nd Floor, P.J. Towers,
Dalal Street,
Mumbai - 400 001
BSE Scrip Code: 532659

Sub: Annual Secretarial Compliance Report for the financial year ended March 31, 2023

Dear Sir/Madam,

Pursuant to the SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019, please find enclosed herewith Annual Secretarial Compliance Report of IDFC Limited issued by Bhandari & Associates Company Secretaries for the financial year ended March 31, 2023.

Kindly take the aforesaid document on record.

Thanking you,

Yours faithfully,
For IDFC Limited



**Shivangi Mistry
Company Secretary**

Encl.: A/a

B&A
BHANDARI & ASSOCIATES
COMPANY SECRETARIES

Secretarial Compliance Report of IDFC Limited
for the year ended March 31, 2023

[Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Bhandari & Associates, Company Secretaries have examined:

- a) all the documents and records made available to us and explanation provided by **IDFC Limited** ("the listed entity"),
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other documents/ filings, as may be relevant, which has been relied upon to make this certification,

for the year ended **March 31, 2023** ("review period") in respect of compliance with the provisions of:

- a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include: -

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"];
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018[#];
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018[#];
- e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021[#];
- g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- h) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
- i) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021[#];

and circulars/ guidelines issued thereunder including the provisions of SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019, in terms of Para 6(A) and 6(B) of the said circular.

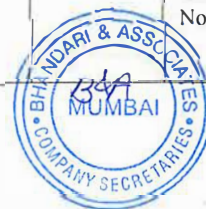


The Regulations or Guidelines, as the case may be were not applicable to the listed entity for the review period.

Based on the above examination, we hereby report that, during the review period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr No	Compliance Requirement (Regulations/ circulars /guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	The board of directors of the top 1000 listed entities shall comprise of not less than six directors.	Regulation 17(1)(c) of Listing Regulations.	The Listed entity did not have requisite number of directors on its Board during the period from August 16, 2022 to August 23, 2022 and October 01, 2022 to March 31, 2023.	None	None	The composition of board of directors was not as per Regulation 17(1)(c) of Listing Regulations.	None	None	Due to completion of tenure of Mr. Sunil Kakar, the number of Directors on the Board of the Company reduced from 6 to 5. The focus of the Board and entire management team (KMPs) is to unlock value for the Company's shareholders. The company is in transition mode and the merger process with IDFC FIRST Bank will be initiated and completed within next 6-9 months. Given the practical situation that the Company is only NBFC-I and does not have any business, we are facing difficulty in appointing new director. In this regard, we have submitted our representation to BSE and NSE vide our letter dated February 13, 2023, February 27, 2023 and February 28, 2023 and email dated April 06, 2023 seeking waiver from the requirement of having 6 directors.	None
2.	The Risk Management Committee of the listed entity shall have minimum three members.	Regulation 21(2) of Listing Regulations.	The Risk Management Committee did not have requisite number of members during the period from August 16, 2022 to August 23, 2022	None	None	The composition of Risk Management Committee was not as per Regulation 21(2) of Listing Regulations.	None	None	The term of Ms. Ritu Anand ended on August 15, 2022. Subsequently, Ms. Ritu Anand ceased to be member of Risk Committee, resulting reduction in requisite number of members during the period from August 16, 2022 to August 23, 2022. The Board at its meeting held on August 24, 2022, reconstituted committee by inducting Ms. Anita Belani in place of Ms. Ritu Anand.	None
3.	The meetings of the Risk Management Committee of the listed entity shall be conducted in such a manner	Regulation 21(3C) of Listing Regulations.	The gap between two Risk Management Committee meetings held on May 6, 2022 and	None	None	The gap between two Risk Management Committee meetings was not as per Regulation 21	None	None	Since IDFC is NBFC-I with minimal operation, there were no discussion pertaining to Risk. Therefore, Risk Committee meeting held on November 11, 2022.	None



that on a continuous basis not more than one hundred and eighty days shall elapse between any two consecutive meetings.		November 11, 2022 exceeded one hundred and eighty days.			of Listing Regulations				
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b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr No	Compliance Requirement (Regulations/circulars /guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	The board of directors of the top 1000 listed entities shall comprise of not less than six directors.	Regulation 17(1) (c) of Listing Regulations.	The listed entity did not have requisite number of directors on its Board during the period from March 26, 2021 to May 24, 2021 and September 23, 2021 to November 08, 2021.	None	None	The composition of board of directors was not as per Regulation 17(1)(c) of Listing Regulations.	None	None	The Board of Directors at its meeting held on 25th May 2021 had appointed Dr. Jaimini Bhagwati (DIN:-07274047) and Mr. Anil Singhvi (DIN:-00239589) as Additional Directors in the category of Independent Directors, subject to receipt of other regulatory approvals. Hence, the Company had complied with the requirements of Regulation 17(1)(c) of SEBI LODR Regulations, 2015 and the composition of the Board was in compliance as on March 31, 2022.	None

c) Additional affirmations:

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations /Remarks by PCS
1.	<u>Secretarial Standard</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	-
2.	<u>Adoption and timely updation of the Policies:</u> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities	Yes	-



	<ul style="list-style-type: none"> All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/ circulars /guidelines issued by SEBI 		
3.	<u>Maintenance and disclosures on Website:</u> <ul style="list-style-type: none"> The Listed entity is maintaining a functional website Timely dissemination of the documents/ information under a separate section on the website Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/ section of the website 	Yes	-
4.	<u>Disqualification of Director:</u> None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	-
5.	<u>To examine details related to Subsidiaries of listed entities:</u> (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries.	Yes	-
6.	<u>Preservation of Documents:</u> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under Listing Regulations.	Yes	-
7.	<u>Performance Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in Listing Regulations.	Yes	-
8.	<u>Related Party Transactions:</u> (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions; (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes	-
9.	<u>Disclosure of events or information:</u> The listed entity has provided all the required disclosure(s) under Regulation 30 alongwith Schedule III of Listing Regulations	Yes	-



	within the time limits prescribed thereunder.		
10.	<u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	Listed entity has implemented system based Structured Digital Database software w.e.f March 09, 2023.
11.	<u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder	Yes	-
12.	<u>Additional Non-compliances, if any:</u> No any additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	Yes	-

Assumption and Limitation of Scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **Bhandari & Associates**

Company Secretaries

Firm Registration No: P1981MH043700

Manisha

Manisha Maheshwari

Partner

ACS No: 30224; CP No.: 11031

Mumbai | May 04, 2023

UDIN: A030224E000253194

