

IDFCFIRSTBANK/SD/248/2024-25

November 17, 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 regarding Postal Ballot Notice.****Ref.: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('SEBI Listing Regulations').**

Dear Sir / Madam,

Pursuant to applicable provisions of the SEBI Listing Regulations, we hereby submit copies of newspaper advertisements, published by the Bank in today's 'Hindu Business Line (English)' and 'Makkal Kural (Tamil)' in relation to Postal Ballot Notice.

The same is being made available on the Bank's website [www.idfcfirstbank.com](http://www.idfcfirstbank.com).

Please take the above on record.

Thanking you,

Yours faithfully,

For **IDFC FIRST Bank Limited**

**Satish Gaikwad***Head - Legal & Company Secretary***Encl.: as above**

# Consistent compounders or problem of induction



**MARKET WISE.**  
Here are key things that investors should know about PE derating and its effect on stock returns

**Hari Viswanath**  
bl, research bureau

The problem of induction is the point where philosophy meets science. What is the guarantee that scientific laws like gravity, inertia or the laws of thermodynamics — all of which form the building blocks of the universe and sustain our living — will not stop working tomorrow? Just because they have worked in the past always cannot be a sufficient reason that it will always work in the future.

This is the argument posed by logicians like David Hume and Bertrand Russell, because using the past as sufficient proof to predict the future makes it a circular argument, with no additional supporting proof.

Bertrand Russell likens this to a chicken which is fed every day for a long period, till it suddenly meets its end at the hands of the farmer. According to him, laws can change despite there being evidence of that

not happening. So what is the guarantee that the laws of nature will continue to work in the future as they have in the past? There is no such guarantee, and that is why according to some scientists, science is based on the faith that the laws of nature will just continue to work forever, as they have in all of the past.

That is good for science, because there is no other option. But what happens when you extend this to investing? A, B, C stocks have consistently given X, Y, Z CAGR in the last 10 years or 20 years, and hence they will continue to deliver solid returns. Sensex has given 16 per cent CAGR since 1981 till now, so it will continue to give similar CAGR going forward! Really? If you get trapped in such a problem of induction, your portfolio will hit a brick wall. This is the issue plaguing some of India's famed consistent compounders of 2009-19 decade like Hindustan Unilever, Nestle India, Britannia, Asian Paints, Berger Paints, Kotak Mahindra Bank,

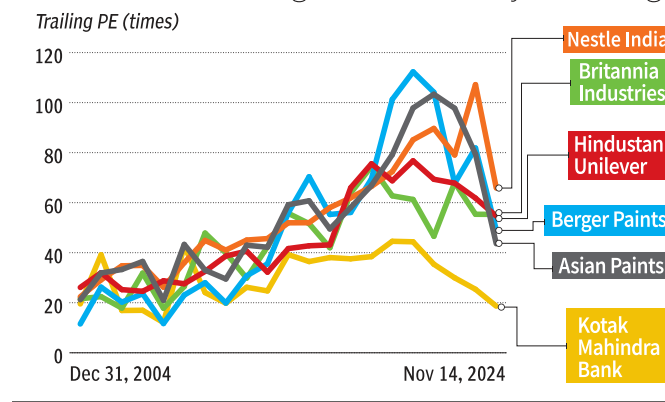
HDFC Bank and Bajaj Finance. These famed companies and a few more, clustered together to create a basket of stocks termed the consistent compounders, prized for the high quality of their business and execution, have mostly underwhelmed in the last five years, while the country has had a roaring bull market, the recent correction notwithstanding.

## MOATS SHAKEN

What actually happened? Their moats probably weren't as strong as what investors thought they were as new competitors entered the fray like in the paints business; similarly, earlier, weak players in banking and finance transformed to compete harder. Maybe economic cycle too is playing a part. Interest rates, too, were low earlier and the liquidity gush pushed global and domestic investors to buy stocks at any valuation.

For example, when global interest was at or near zero in 2020 and 2021, owning stock at 70 PE or

Valuation rerating is followed by derating



earnings yield (1/PE) of just 1.4 per cent may have still made some sense to a few.

However, it made very little sense when interest rates in the US went up to over 5 per cent last year and are still hovering at high levels. As these factors played out, the high PEs became unsustainable and the multiple contraction combined with the current earnings slowdown has turned out to be a double whammy.

For example, we can see in the charts how the PE for some of these companies peaked between FY19 and FY22 and have derated since.

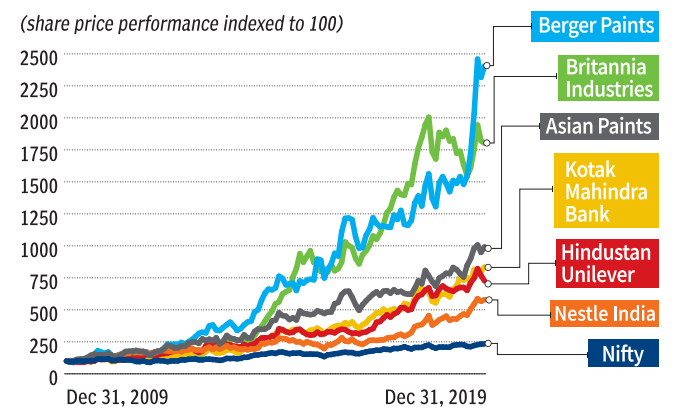
The question for investors now is what if this PE derating trend continues? What is the earnings growth required for these stocks to deliver decent positive returns from here — if derating continues for the worse or if at best multiples do not expand from here?

PE multiples are a function of earnings growth, profit margins, management quality, corporate

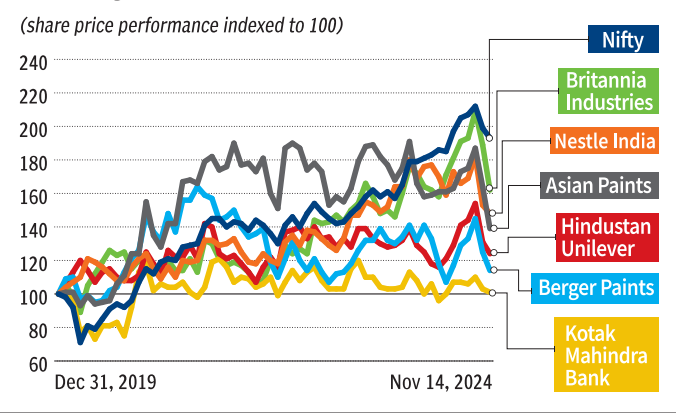
governance, balance-sheet strength, prevailing interest rates and risk-taking tendency of investors. When each of these factors change, PE too will change and derating can play out when these factors turn adverse.

The book *Security Analysis* by Benjamin Graham and David L. Dodd, states, "The 'new era' doctrine — that 'good' stocks were sound investments regardless of how high the price paid for them — was at bottom only a means of rationalizing under the title of 'investment' the well-nigh universal capitulation to the gambling fever. The notion that the desirability of a common stock was entirely independent of its price seems incredibly absurd. Yet the new-era theory led directly to this thesis... An alluring corollary of this principle was that making money in the stock market was now the easiest thing in the world. It was only necessary to buy 'good' stocks, regardless of price, and then to let nature take her upward course. The results of

Some consistent compounders had a phenomenal run in the previous decade



PE derating in recent years a key factor driving underperformance in last 5 years



such a doctrine could not fail to be tragic."

To be sure, the returns of most stocks mentioned above are still positive in the last five years and nowhere close to tragic, but the de-

rating process is not complete for all.

More importantly, they serve a cautious tale to do the returns math once again on irrationally-priced stocks in one's portfolio.

## Interest rates on home loans (%)

Institution	Loan amount		
	Under ₹30 lakh	₹30 to 75 lakh	Over ₹75 lakh
<b>BANKS (Floating rates)</b>			
Axis Bank	8.75-9.65	8.75-9.65	8.75-9.65
Bank of Baroda	8.40-10.60	8.40-10.60	8.40-10.60
Bank of India	8.40-10.85	8.40-10.85	8.40-10.85
Bank of Maharashtra	8.35-10.90	8.35-10.90	8.35-10.90
Canara Bank	8.50-11.25	8.45-11.25	8.40-11.15
Central Bank	8.35-9.50	8.35-9.50	8.35-9.50
DBS Bank	<=9.40	<=9.40	<=9.40
Federal Bank	>=8.80	>=8.80	>=8.80
HDFC Bank	8.75-9.95	8.75-9.95	8.75-9.95
ICICI Bank	8.75-9.80	8.75-9.95	8.75-10.05
Indian Bank	8.40-9.80	8.40-9.80	8.40-9.80
Indian Overseas Bank	>=8.40	>=8.40	>=8.40
IDBI Bank	8.50-12.75	8.50-12.75	8.50-12.75
J&K Bank	8.75-9.85	8.75-9.85	8.75-9.85
Karnataka Bank	8.50-10.62	8.50-10.62	8.50-10.62
Karur Vysya Bank	9.0-11.05	9.0-11.05	9.0-11.05
Kotak Mahindra Bank	>=8.75	>=8.75	>=8.75
Punjab National Bank	8.45-10.10	8.40-10.10	8.40-10.0
Punjab & Sind Bank	8.50-10.0	8.50-10.0	8.50-10.0
State Bank of India	8.50 - 9.65	8.50 - 9.65	8.50 - 9.65
South Indian Bank	8.70-11.70	8.70-11.70	8.70-11.70
Tamilnad Mercantile Bank	8.60-9.95	8.60-9.95	8.60-9.95
UCO Bank	8.30-10.00	8.30-10.00	8.30-10.00
Union Bank of India	8.35-10.75	8.35-10.75	8.35-10.75
<b>HOUSING FINANCE COMPANIES (Floating rates)</b>			
Tata Capital	>=8.75	>=8.75	>=8.75
Piramal Cap & Housing Fin	>=9.50	>=9.50	>=9.50
PNB Housing	8.50-11.25	8.50-11.45	8.50-11.45
Central Bank Housing	9.95-11.15	9.95-11.15	9.95-11.15
Samman Capital	>=8.75%	>=8.75%	>=8.75%
Aditya Birla Housing Fin	>=8.60	>=8.60	>=8.60
Bajaj Finserv	8.50-15.00	8.50-15.00	8.50-15.00
GIC Housing Finance	>=8.80	>=8.80	>=8.80
Sundaram Home Finance	>=10	>=10	>=10

\*Data as on respective banks' website on Nov 15, 2024; For each year range, the maximum offered interest rate is considered; interest rate is for a normal fixed deposit amount below ₹1 crore. Compiled by BankBazaar.com; \*Annual percentage rate;

## WHO AM I?

**Are you an avid investor? How well do you know corporate India?**

Here's a challenge. Using the five clues below, identify the company that is being talked about here

- 1 My market-cap has doubled over the last year and about 15 times since Covid-lows, though I disappointed my shareholders for whole of the previous decade (2010-20) with negative returns.
- 2 One of my promoter families exited their entire stake last year. Consequently, promoter stake had declined almost one-third with proportionate increase by domestic institutions.
- 3 Though public shareholder ownership remained the same, the number of shareholders have doubled in recent years, a sign of retail interest.
- 4 I am a small-cap stock with global leadership in my industry backed by centuries of legacy of my promoter family's innovation skills.
- 5 My MD, fifth generation in my family to lead the management, began her career in Merrill Lynch.

Send your answers by Wednesday 6 p.m. to [who-am-i@thehindu.co.in](mailto:who-am-i@thehindu.co.in), with your full name, postal address and phone number. A lucky winner in each week will get a book sponsored by UNIFI Capital as a reward.

Contributed by  
**UNIFI CAPITAL**  
Last week's stock: Granules India  
Last week's winner: Y P Rao

## ALERTS.

### PNB's eco-friendly debit card

Punjab National Bank has launched PNB Palaash Debit Card, a new debit card variant made from recycled PVC plastic as part of its sustainability initiative. This eco-friendly card uses materials that would otherwise end up in landfills, thereby reducing environmental harm. The card offers all the features of the existing RuPay Platinum Debit Card variant. The issuance charge for the card is ₹250 plus taxes. The per-day transaction limit is ₹1 lakh for cash withdrawals at PNB ATMs and ₹3 lakh for e-commerce purchases.

### ICICI Pru launches 'Increasing Income' feature in pension plan

ICICI Prudential Life Insurance has launched the 'Increasing Income' feature, an industry first, for its regular pay annuity product, ICICI Pru Guaranteed Pension Plan Flexi. This feature offers customers a 5 per cent increase in the annuity pay-out annually, which can aid retired individuals to cope with inflation. The plan with the 'Increasing Income' feature can enable customers to maintain their standard of living as inflation reduces their purchasing power over time.

## thehindu businessline Classifieds

**REAL ESTATE SELLING**  
**RESIDENTIAL LAND**  
THIRUINRAVUR 3GRNDS CMDA approved 30ft Rd N face 300mts to Nemilichery Stn CT 9500073030  
**RENTAL COMMERCIAL**  
READILY AVAILABLE at Thiruvannamur, walkable distance from Bus Depot and Railway station. Fully furnished Office space (1) 2400 Sq.ft area with power back-up - can accommodate 40 workstations with MD cabin and conference room. (2) 40 Sq.ft area with power back-up. Contact: 9841046342/955129072

## MPL

**MAITHON POWER LIMITED**  
(Contracts Department)  
Maithon Power Ltd, Village: Dambhui, PO Barbindia, District-Dhanbad, State-Jharkhand PIN-828205  
**NOTICE INVITING EXPRESSION OF INTEREST**  
The Maithon Power Limited invites expression of interest from eligible vendors for the following package:-  
"INSTALLATION OF RAIL MOTORIZED LG GATE" AT 525 X 2 MW MAITHON POWER LIMITED (MPL), JHARKHAND - INDIA  
For details of pre-qualification requirements, bid security, purchasing of tender document etc., please visit Tender section of our website (URL: <https://www.tatapower.com/tender/tenderlist.aspx>).  
Eligible vendors willing to participate may submit their expression of interest along with the tender fee for issue of bid document latest by 27<sup>th</sup> November 2024.

## ERNAKULAM REGIONAL CO-OPERATIVE MILK PRODUCERS' UNION LTD.

EDAPPALLY, KOCHI-24 Ph: 0484-2541193, 2556863, crmpupur@milma.com  
No. EU/PUR/76,54A&105/2024-25 15.11.2024  
**E-TENDER NOTICE**  
Title E Tender ID Bid closing  
Miscellaneous civil works for deep freezer at Kattappana Dairy (Pre bid meeting: 25-Nov-2024, 10:30 AM) 2024\_KCMMF\_704796\_1 06-Dec-2024 04:00 PM  
Miscellaneous civil repairing work for rest room building at Kottayam dairy (Pre bid meeting: 26-Nov-2024 10:30 AM) 2024\_KCMMF\_704784\_1 06-Dec-2024 04:00 PM  
Annual maintenance contract for DG sets with accessories (Pre bid meeting: 18-Nov-2024, 11:30 AM) 2024\_KCMMF\_704727\_1 25-Nov-2024 04:00 PM  
Supply of vitamin premix vitamin A and D2 (18-Nov-2024 1:00 AM) 2024\_KCMMF\_704697\_1 02-Dec-2024 04:00 PM  
For NIT visit [www.etenders.kerala.gov.in](http://www.etenders.kerala.gov.in) (Sd/-) Managing Director



## IDFC FIRST Bank Limited

CIN: L65110TN2014PLC097792  
Registered Office: KRM Tower, 7<sup>th</sup> Floor, No. 1 Harrington Road, Chetpet, Chennai - 600 031, Tamil Nadu, India. Tel: + 91 44 4564 4000;  
Corporate Office: IDFC FIRST Bank Tower, (The Square), C-61, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051. Tel: + 91 22 7132 5500. Website: [www.idfcfirstbank.com](http://www.idfcfirstbank.com)  
E-mail: [bank.info@idfcfirstbank.com](mailto:bank.info@idfcfirstbank.com)

## POSTAL BALLOT NOTICE

NOTICE is hereby given that pursuant to Sections 108, 110, and other applicable provisions, if any, of the Companies Act, 2013, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (the "Companies Act"), and General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020 and 09/2024 dated September 19, 2024 read with other relevant circulars, issued by the Ministry of Corporate Affairs, Government of India and the Securities and Exchange Board of India (hereinafter collectively referred to as the "Relevant Circulars"), Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, and any other applicable laws, rules, guidelines, notifications, circulars and regulations (including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereof, for the time being in force), the following businesses is proposed to be passed by the Members of IDFC FIRST Bank Limited ("Bank" or "IDFC FIRST Bank") through Postal Ballot, by way of remote electronic voting process ("remote e-voting" / "e-voting") only.

Sr. No.	Description of the Resolution	Type of Resolution
1.	Re-appointment of Mr. V. Vaidyanathan (DIN: 00082596) as Managing Director and Chief Executive Officer of the Bank.	Ordinary Resolution
2.	Appointment of Mrs. Pankajam Sridevi (DIN: 06783360) as an Independent Director of the Bank.	Special Resolution
3.	Appointment of Mr. Uday Bhansali (DIN: 00363902) as an Independent Director of the Bank.	Special Resolution
4.	Appointment of Mr. Sudhir Kapadia (DIN: 05307843) as an Independent Director of the Bank.	Special Resolution

In accordance with the Relevant Circulars, the Bank has completed the dispatch of Postal Ballot Notice along with the Explanatory Statement ("Postal Ballot Notice") on November 16, 2024 in electronic mode to those Members whose names appeared in the Register of Members / List of Beneficial Owners as on Thursday, November 14, 2024 ("Cut-off Date"), received from the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") (collectively referred to as "Depositories") and whose e-mail address is registered with the Bank/ KFin Technologies Limited ("Kfintech"), Registrar and Transfer Agent of the Bank ("RTA")/ Depositories/ Depository Participants.

In compliance with Relevant Circulars, the physical copy of the Postal Ballot Notice along with postal ballot form and pre-paid business reply envelope will not be sent to the Members. Accordingly, the communication of assent or dissent of the Members eligible to vote in respect of the aforesaid resolutions is restricted only to remote e-voting i.e. by casting their votes electronically instead of submitting postal ballot forms.

A copy of the Postal Ballot Notice is also available on the website of the Bank at [www.idfcfirstbank.com](http://www.idfcfirstbank.com), the websites of the Stock Exchanges where the equity shares of the Bank are listed i.e. "BSE Limited" ("BSE") at [www.bseindia.com](http://www.bseindia.com) and "National Stock Exchange of India Limited" ("NSE") at [www.nseindia.com](http://www.nseindia.com) and the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com), who is the remote e-voting service providing agency to the Bank.

### PROCESS OF REGISTRATION OF E-MAIL ADDRESSES:

Members holding shares in physical mode and who have not updated their e-mail addresses with the Bank are requested to update their e-mail addresses by writing to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with the copy of the signed Form ISR-1 mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (e.g.: Driving License, Election Identity Card, Passport etc.) in support of the address of the Member. Members holding shares in dematerialized mode are requested to register/ update their e-mail addresses with relevant depository participants.

### PROCEDURE FOR REMOTE E-VOTING:

The Bank has engaged with NSDL for facilitating remote e-voting to enable the Members to cast their votes electronically in respect of the resolutions as set out in the Postal Ballot Notice.

The remote e-voting facility will be available during the period as given below:

Commencement of Remote e-voting	Monday, November 18, 2024 at 9.00 a.m. IST
End of Remote e-voting	Tuesday, December 17, 2024 at 5.00 p.m. IST

During the above period, Members holding shares either in physical form or in dematerialized form as on cut-off date i.e. Thursday, November 14, 2024, may cast their vote electronically. The remote e-voting facility shall be disabled by NSDL after closure of remote e-voting period.

The voting rights of the Members shall be in proportion of their shareholding to the total paid-up equity share capital of the Bank as on the cut-off date i.e. Thursday, November 14, 2024.

### INSTRUCTIONS FOR REMOTE E-VOTING:

Detailed instructions for remote e-voting are provided in Note No. 18 of the Postal Ballot Notice. Kindly note that once Members cast their votes on the resolutions, the same cannot be modified subsequently.

### RESULT OF POSTAL BALLOT:

The Board of Directors of the Bank has appointed Ms. Manisha Maheshwari, Practicing Company Secretary [Membership No. FCS: 13272 and CP: 11031], Partner of M/s. Bhandari & Associates, Company Secretaries, failing her, Mr. S. N. Bhandari, Practicing Company Secretary [Membership No. FCS: 761 and CP: 366], Partner of M/s. Bhandari & Associates, Company Secretaries, as the Scrutinizer for conducting the Postal Ballot e-voting process in a fair and transparent manner in accordance with the provisions of the Companies Act and the rules made thereunder.

The Scrutinizer, on completion of scrutiny of the votes cast through e-voting, shall submit his report to the Chairman of the Bank or a person authorized by him, who will announce the results of the e-voting latest by Thursday, December 19, 2024, in accordance with the applicable provisions of law.

The results declared, along with the Scrutinizer's Report, shall be placed on the website of the Bank at [www.idfcfirstbank.com](http://www.idfcfirstbank.com), on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and shall also be simultaneously communicated to the BSE and the NSE.

In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on : 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre at [evoting@nsdl.com](mailto:evoting@nsdl.com)

By order of the Board of Directors  
For IDFC FIRST Bank Limited  
Sd/-  
Satish Gaikwad  
Head - Legal & Company Secretary

Place: Mumbai  
Date: November 16, 2024

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