

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES. THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE ADDRESSEES OUTSIDE OF THE UNITED STATES.

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached information memorandum (the “**Information Memorandum**”). You are advised to read this disclaimer carefully before accessing, reading or making any other use of the attached Information Memorandum. In accessing the attached Information Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access. In order to be eligible to view the attached Information Memorandum or make an investment decision with respect to the securities, investors must be outside the United States (as defined under Regulation S under the United States Securities Act of 1933, as amended (the “**Securities Act**”)).

Confirmation of Your Representation: The attached Information Memorandum is being sent to you at your request and by accepting the e-mail and accessing the attached Information Memorandum, you shall be deemed to represent to the Issuer and the Placement Agent (each as defined in the Information Memorandum) that (1) you and any customers you represent are outside the United States and that the e-mail address that you gave the Issuer and/or the Placement Agent and to which this e-mail has been delivered is not located in the United States, its territories or possessions, (2) you consent to delivery of the attached Information Memorandum and any amendments or supplements thereto by electronic transmission, and (3) to the extent you purchase the securities described in the attached Information Memorandum, you will be doing so in an offshore transaction as defined in regulations under the Securities Act in compliance with Regulation S thereunder.

The attached Information Memorandum has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and, consequently, none of the Issuer, the Placement Agent, or the Agents (as defined in the attached Information Memorandum) or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them accepts any liability or responsibility whatsoever in respect of any discrepancies between the document distributed to you in electronic format and the hard copy version.

Restrictions: The attached Information Memorandum is being furnished in connection with an offering in offshore transactions outside the United States in compliance with Regulation S under the Securities Act solely for the purpose of enabling a prospective investor (including, without limitation, any prospective investor who may hold the securities described herein directly or indirectly through repackaging, derivatives or other arrangements) to consider the purchase of the securities described herein. You are reminded that the information in the attached Information Memorandum is not complete and may be changed.

THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. THE OFFERING IS MADE SOLELY OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS PURSUANT TO REGULATION S UNDER THE SECURITIES ACT.

Nothing in this electronic transmission constitutes, and this electronic transmission may not be used in connection with, an offer or an invitation by or on behalf of the Issuer or the Placement Agent to subscribe for or purchase any of the securities described therein, in any place where offers or solicitations are not permitted by law and access has been limited so that it shall not constitute in the United States or elsewhere a general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or directed selling efforts (within the meaning of Regulation S

under the Securities Act). The attached Information Memorandum and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients (including, without limitation, any prospective investor who may hold the securities described herein directly or indirectly through repackaging, derivatives or other arrangements) to any other person. You are reminded that you have accessed the attached Information Memorandum on the basis that you are a person into whose possession the attached Information Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver this document, electronically or otherwise, to any other person (excluding any prospective investor who may hold the securities described herein directly or indirectly through repackaging, derivatives or other arrangements). If you have gained access to this transmission contrary to the foregoing restrictions, you are not allowed to purchase any of the securities described in the attached Information Memorandum.

Actions that you may not take: If you receive this document by e-mail, you should not reply by e-mail to this electronic transmission, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the “Reply” function on your e-mail software, will be ignored or rejected.

YOU ARE NOT AUTHORISED TO AND YOU MAY NOT FORWARD OR DELIVER THE ATTACHED INFORMATION MEMORANDUM, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON (EXCLUDING ANY PROSPECTIVE INVESTOR WHO MAY HOLD THE SECURITIES DESCRIBED HEREIN DIRECTLY OR INDIRECTLY THROUGH REPACKAGING, DERIVATIVES OR OTHER ARRANGEMENTS) OR REPRODUCE SUCH INFORMATION MEMORANDUM IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE ATTACHED INFORMATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

The Information Memorandum has not been and will not be filed, registered, produced, published or made available to all as an offer document (whether a prospectus or a statement in lieu of a prospectus (as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended) in respect of a public offer or an information memorandum or placement memorandum or general information documents or key information documents or private placement offer cum application letter or other offering material in respect of any private placement under the (Indian) Companies Act, 2013 or any rules framed thereunder and any other applicable Indian laws) with any regulatory or statutory body in India or the International Financial Services Centre set up at Gujarat International Finance Tec-City (“**GIFT City IFSC**”), including the Registrar of Companies of India (the “**RoC**”) or the Securities and Exchange Board of India (the “**SEBI**”) or the Reserve Bank of India (the “**RBI**”) or the International Financial Services Centres Authority (“**IFSCA**”) or any Indian stock exchanges, save and except for any information from any part of the Information Memorandum which is mandatorily required to be disclosed or filed in India under any applicable Indian laws or under the rules and regulations applicable to the GIFT City IFSC, including, but not limited to, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended (“**SEBI PIT Regulations**”), and under the listing agreement with any Indian stock exchange pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”) and the International Financial Services Centres Authority (Listing) Regulations, 2024, as amended, and under the rules and regulation applicable to the GIFT City IFSC, or pursuant to the directives of any regulatory and adjudicatory body in India or the GIFT City IFSC. This Information Memorandum has not been and will not be reviewed or approved by any regulatory authority in India and the GIFT City IFSC (including but not limited to SEBI, the IFSCA and any RoC) or any Indian stock exchange. This Information Memorandum is not and should not be construed as an advertisement, invitation, offer or sale of any securities whether by way of private placement or to the public or any person resident in India and the Notes will not be offered or sold and have not been offered or sold in India by means of this Information Memorandum or any other offering document or material relating to the Notes and will not be circulated or distributed and have not been circulated or

distributed, directly or indirectly, to any person or the public in India or otherwise generally distributed or circulated in India. Any failure to comply with these restrictions may result in a violation of the applicable securities laws of India and other jurisdictions.

You are responsible for protecting against viruses and other destructive items. If you receive the attached Information Memorandum by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.



IDFC FIRST BANK LIMITED, ACTING THROUGH ITS IFSC BANKING UNIT

(a company incorporated with limited liability in the Republic of India)

U.S.\$350,000,000 5.800 per cent. Senior Notes due 2031

The 5.800 per cent. senior notes in the aggregate principal amount of U.S.\$350,000,000 (the “Notes”) due 2031 will be issued by IDFC FIRST Bank Limited, acting through its IFSC Banking Unit (the “Issuer”).

The Notes will constitute direct, unconditional, unsubordinated and (subject to Condition 3(a) of the terms and conditions of the Notes (the “Conditions”)) unsecured obligations of the Issuer and shall rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations) of the Issuer from time to time outstanding.

The Notes will bear interest on their outstanding principal amount from and including 28 August 2026 (the “Issue Date”) at the rate of 5.800 per cent. per annum (the “Rate of Interest”), payable semi-annually in arrear on 28 February and 28 August of each year, commencing on 28 February 2027. See “Terms and Conditions of the Notes – Interest”.

All payments of principal and interest in respect of the Notes by or on behalf of the Issuer will be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, assessments or other governmental charges or duties of whatever nature imposed, levied, collected, withheld or assessed by or within, or on behalf of India or any political subdivision or authority therein or thereof having power to tax to the extent described in “Terms and Conditions of the Notes – Taxation”.

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on 28 August 2031 (the “Maturity Date”). The Notes may be redeemed before then at the option of the Issuer in whole but not in part, at 100% of their principal amount, together with interest accrued to (but excluding) the redemption date, at any time on or after 28 May 2031 to (but excluding) the Maturity Date. The Notes may also be redeemed at the option of the Issuer in whole, but not in part, at any time, at their principal amount together with interest accrued to but excluding the date fixed for redemption, upon the occurrence of certain Indian (or other relevant taxing jurisdiction) withholding tax events that require the Issuer to pay additional amounts, subject to customary conditions. See “Terms and Conditions of the Notes – Redemption and Purchase”.

An application will be made for the Notes to be listed on the Vienna Stock Exchange (Wiener Börse) and admitted to trading on the Vienna MTF of the Vienna Stock Exchange, which is a multilateral trading facility (the “Vienna MTF”). The Vienna MTF is not a regulated market for the purposes of MiFID II or a UK regulated market for the purposes of UK MiFIR.

An application will be made to the NSE IFSC Limited (the “NSE IX”) and/or the India International Exchange (IFSC) Limited (“India INX”) for the listing and trading of the Notes on the Debt Securities Market of NSE IX and/or Global Securities Market on the India INX, respectively, within the timelines set out in the “The Offering”. The NSE IX and India INX have not approved or verified the contents of this Information Memorandum or the listing particulars. Admission to trading of the Notes to the NSE IX and/or India INX and quotation of the Notes on the NSE IX and/or India INX is not to be taken as an indication of the merits of the offering, the Notes, the Issuer or its subsidiary or associated companies, as applicable.

The Notes will be issued in the specified denomination of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof.

Investing in the Notes involves risks. See “Risk Factors” beginning on page 4 for a discussion of certain factors to be considered in connection with an investment in the Notes.

The Information Memorandum has not been and will not be filed, registered, produced, published or made available to all as an offer document (whether a prospectus or a statement in lieu of a prospectus (as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended) in respect of a public offer or an information memorandum or placement memorandum or general information documents or key information documents or private placement offer cum application letter or other offering material in respect of any private placement under the (Indian) Companies Act, 2013 or any rules framed thereunder and any other applicable Indian laws), with any regulatory or statutory body in India or the International Financial Services Centre set up at Gujarat International Finance Tec-City (“GIFT City IFSC”), including the Registrar of Companies of India (the “RoC”) or the Securities and Exchange Board of India (the “SEBI”) or the Reserve Bank of India (the “RBI”) or the International Financial Services Centres Authority (“IFSCA”) or any Indian stock exchanges, save and except for any information from any part of the Information Memorandum which is mandatorily required to be disclosed or filed in India under any applicable Indian laws or under the rules and regulations applicable to the GIFT City IFSC, including, but not limited to, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended (“SEBI PIT Regulations”), and under the listing agreement with any Indian stock exchange pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) and the International Financial Services Centres Authority (Listing) Regulations, 2024, as amended, and under the rules and regulations applicable to the GIFT City IFSC, or pursuant to the directives of any regulatory and adjudicatory body in India or the GIFT City IFSC. This Information Memorandum has not been and will not be reviewed or approved by any regulatory authority in India and the GIFT City IFSC (including but not limited to SEBI, the IFSCA and any RoC) or any Indian stock exchange. This Information Memorandum is not and should not be construed as an advertisement, invitation, offer or sale of any securities whether by way of private placement or to the public or any person resident in India and the Notes will not be offered or sold and have not been offered or sold in India by means of this Information Memorandum or any other offering document or material relating to the Notes and will not be circulated or distributed and have not been circulated or distributed, directly or indirectly, to any person or the public in India or otherwise generally distributed or circulated in India. Any failure to comply with these restrictions may result in a violation of the applicable securities laws of India and other jurisdictions.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes are being offered in offshore transactions outside the United States in reliance on Regulation S under the Securities Act (“Regulation S”).

The Notes will be represented by a global certificate (the “Global Certificate”) in registered form, which will be registered in the name of a nominee of, and shall be deposited on the Issue Date with, a common depository for Euroclear Bank SA/NV (“Euroclear”) and Clearstream Banking S.A. (“Clearstream”). Beneficial interests in the Global Certificate will be shown on, and transfer thereof will be effected only through, records maintained by Euroclear and Clearstream. Except in the limited circumstances as described in the Global Certificate, individual certificates for the Notes will not be issued in exchange for interests in the Global Certificate.

Placement Agent
BofA Securities

Information Memorandum dated 24 August 2026

IMPORTANT NOTICE

THIS INFORMATION MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, ANY SECURITIES IN ANY JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE THE OFFER OR SOLICITATION IN SUCH JURISDICTION. NEITHER THE DELIVERY OF THIS INFORMATION MEMORANDUM NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES IMPLY THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER OR THAT THE INFORMATION SET FORTH IN THIS INFORMATION MEMORANDUM IS CORRECT AS OF ANY DATE SUBSEQUENT TO THE DATE HEREOF.

The Issuer accepts full responsibility for the accuracy of the information contained in this Information Memorandum and confirms, having made all reasonable enquiries, that (i) the statements contained in this Information Memorandum relating to the Issuer and the Notes are in every material particular true and accurate and not misleading, (ii) the opinions and intentions expressed in this Information Memorandum are, with regard to the Issuer, honestly and reasonably held, have been reached after considering all relevant circumstances and are based on reasonable assumptions, (iii) all reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements in this Information Memorandum and (iv) the statistical, industry and market-related data included in this Information Memorandum is based on or derived from sources which the Issuer believes to be accurate and reliable in all material respects.

This Information Memorandum has been prepared by the Issuer solely for use in connection with the proposed offering of the Notes described in this Information Memorandum. The distribution of this Information Memorandum and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Information Memorandum comes are required by the Issuer and Merrill Lynch (Singapore) Pte. Ltd. (the “**Placement Agent**”) to inform themselves about and to observe any such restrictions. No action is being taken to permit a public offering of the Notes or the distribution of this Information Memorandum or any offering or publicity material relating to the Notes in any jurisdiction where action would be required for such purposes. There are restrictions on the offer and sale of the Notes and the circulation of documents relating thereto, in certain jurisdictions and to persons connected therewith. By purchasing the Notes, investors represent and agree to all of those provisions contained in that section of this Information Memorandum. This Information Memorandum is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for, or otherwise acquire, the Notes. Distribution of this Information Memorandum to any other person other than the prospective investor (including, without limitation, any prospective investor who may hold the Notes directly or indirectly through repackaging, derivatives or other arrangements) and any person retained to advise such prospective investor with respect to its purchase is unauthorised. Each prospective investor, by accepting delivery of this Information Memorandum, agrees to the foregoing and to make no photocopies of this Information Memorandum or any documents referred to in this Information Memorandum.

No person has been or is authorised to give any information or to make any representation not contained in or not consistent with this Information Memorandum or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, the Placement Agent, the Agents (as defined in the Conditions) or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them. Neither the delivery of this Information Memorandum nor any offering, sale or delivery made in connection with the issue of the Notes shall, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in the affairs of the Issuer since the date hereof or create any implication that the information contained herein is correct as at any date subsequent to the date hereof. This Information Memorandum does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Placement Agent or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them to subscribe for or purchase the Notes and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful.

None of the Placement Agent or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them has separately verified the information contained in this Information Memorandum. None of the Placement Agent or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them makes any representation, warranty or undertaking, express or implied, or accepts any responsibility or liability, with respect to the accuracy or completeness of any of the information contained in this Information Memorandum or any information supplied in connection with the Notes. Each person receiving this Information Memorandum acknowledges that such person has not relied on the Placement Agent or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them in connection with its investigation of the accuracy of such information or its investment decision, and each such person must rely on its own examination of the Issuer and the merits and risks involved in investing in the Notes. See “*Risk Factors*” for a discussion of certain factors to be considered in connection with an investment in the Notes.

To the fullest extent permitted by law, none of the Placement Agent or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them accepts any responsibility for the contents of this Information Memorandum or for any other statement made or purported to be made by the Placement Agent or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them in connection with the Issuer or the issue and offering of the Notes. Each of the Placement Agent and the Agents and each of their respective affiliates, directors, employees, agents, representatives, officers and advisers and each person who controls any of them accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Information Memorandum or any such statement. None of the Placement Agent or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Information Memorandum nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Placement Agent or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them.

This Information Memorandum may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. This Information Memorandum does not constitute an offer or an invitation to subscribe for or to purchase any Notes and may not be used for the purpose of an offer or an invitation to subscribe for or to purchase any Notes by anyone in any jurisdiction or in any circumstances in which such offer or invitation to subscribe for or to purchase any Notes is not authorised or is unlawful. This Information Memorandum is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Placement Agent or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them that any recipient of this Information Memorandum should subscribe for or purchase any Notes. Each recipient of this Information Memorandum shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer with its own tax, legal and business advisers as it deems necessary.

This Information Memorandum is provided solely for the purpose of enabling the recipient (including, without limitation, any prospective investor who may hold the Notes directly or indirectly through repackaging, derivatives or other arrangements) to consider purchasing the Notes. The investors or prospective investors should read this Information Memorandum carefully before making a decision regarding whether or not to purchase the Notes. This Information Memorandum cannot be used for any other purpose and any information in this Information Memorandum cannot be disclosed to any other person. This Information Memorandum is personal to each prospective investor and does not constitute an offer to any other person or to the public generally to purchase or otherwise acquire the Notes.

This Information Memorandum summarises certain material documents and other information, and the Issuer and the Placement Agent refer the recipient of this Information Memorandum to them for a more complete understanding of what is contained in this Information Memorandum. None of the Issuer, the Placement Agent or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them are making any representations regarding the legality of an investment in the Notes under any law or regulation. The recipient of this Information Memorandum should not consider any information in this Information Memorandum to be legal, business or tax advice. Any investor or prospective investor should consult his/her/its own attorney, business adviser and tax adviser for legal, business and tax advice regarding an investment in the Notes.

The contents of this Information Memorandum have not been reviewed by any regulatory authority in India, Singapore, Hong Kong or elsewhere. Investors are advised to exercise caution in relation to the offer. If any investor is in any doubt about any of the contents of this Information Memorandum, that investor should obtain independent professional advice.

ACKNOWLEDGEMENTS BY POTENTIAL PURCHASERS

Each potential purchaser (a “**Purchaser**”) of the Notes receiving this Information Memorandum will be deemed to represent, warrant, agree, undertake, confirm and/or acknowledge (as the case may be) to the Issuer and the Placement Agent for their benefit as follows:

- 1 The Purchaser understands that the issue and sale of the Notes by the Issuer (the “**Placement**”) involves a high degree of risk and that the Notes are a speculative investment.
- 2 The Purchaser acknowledges that (a) it has received this Information Memorandum from the Issuer, which sets out, amongst other things, a description of the Issuer's principal activities and certain other information relating to the Issuer and its subsidiary (collectively, the “**Group**”), (b) that this Information Memorandum has been prepared solely by the Issuer and (c) that no representation or warranty (express or implied) is or has been made or given by the Placement Agent as to the accuracy, completeness or sufficiency of the information contained in this Information Memorandum, and nothing contained in this Information Memorandum is, or shall be relied upon as, a promise, representation or warranty by the Placement Agent.
- 3 The Purchaser (a) has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in connection herewith to the extent it has deemed necessary, (b) has received from the Issuer a copy of this Information Memorandum and had a reasonable opportunity to ask questions of and receive answers from officers and representatives of the Issuer and its subsidiary concerning its prospects, financial condition and results of operations and the purchase of the Notes, and any such questions have been answered to its satisfaction, (c) has carefully reviewed and is familiar with and understands the terms of this Information Memorandum (including without limitation the section headed “*Risk Factors*” herein (and it acknowledges, understands and accepts such risks in relation to the Placement)), and understands and agrees that this Information Memorandum speaks only as of its date and that the information contained herein may not be correct or complete as of any time subsequent to that date, and (d) has conducted its own due diligence on the Issuer, the Group and the Placement, and has made its own investment decisions based upon its own judgment, due diligence and advice from such advisers as it has deemed necessary and not upon any view expressed by or on behalf of the Issuer or its affiliates (“**Affiliates**”), as such term is defined in Rule 501(b) of Regulation D (“**Regulation D**”) under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”).
- 4 The Purchaser is acquiring the Notes directly from the Issuer in a private placement. The Purchaser understands that other than this Information Memorandum which it acknowledges does not contain all information that is typically in a Regulation S (as defined herein) offering

circular, no other disclosure or offering document has been prepared in connection with the purchase of the Notes.

- 5 The Purchaser will not hold the Placement Agent or any of its Affiliates responsible for any misstatements in or omissions from any information provided by the Issuer to the Purchaser concerning the Group and its business.
- 6 The Purchaser understands and agrees that it may not rely, and it has not relied, on any investigation that the Placement Agent or any of its Affiliates or any person acting on its behalf has conducted with respect to the Placement, the Notes, the Issuer or any member of the Group, and neither the Placement Agent nor any of its Affiliates, nor any of their respective employees, officers, directors or representatives has made any representation to them, express or implied, with respect to the Placement, the Notes, the Issuer or the Group.
- 7 The Purchaser acknowledges that any information provided to the Purchaser with regard to the Issuer and the Group, has been supplied by the Issuer and that neither the Placement Agent nor any of its Affiliates has verified such information or makes any representation or warranty as to its accuracy or completeness.
- 8 The Purchaser has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Notes and confirms that it is understood that information and explanations related to the terms and conditions of the Notes provided in this Information Memorandum or otherwise by the Issuer or any of its Affiliates shall not be considered investment or tax advice or a recommendation to purchase the Notes, and that neither the Issuer nor any of its Affiliates is acting or has acted as an adviser to the Purchaser in deciding to invest in the Notes.
- 9 The Purchaser confirms that neither the Issuer nor any of its Affiliates has (a) given any guarantee or representation as to the potential success, return, effect or benefit (either legal, regulatory, tax, financial, accounting or otherwise) of an investment in the Notes or (b) made any representation to the Purchaser regarding the legality of an investment in the Notes under applicable legal investment or similar laws or regulations.
- 10 The Purchaser has the ability to bear the economic risk of the Placement, has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to its investment in the Notes, and is able to sustain a complete loss in connection with the Placement.
- 11 The Purchaser is purchasing Notes for its own account and investment purposes and not with a view to any distribution thereof or as nominee or agent, or otherwise for any other person.
- 12 The Placement Agent shall have no obligation to purchase or acquire all or any part of the Notes purchased by the Purchaser in the Placement or to support any losses directly or indirectly sustained or incurred by the Purchaser for any reason whatsoever in connection with the Placement, including the breach or alleged breach of any representations and warranties by the Issuer and the non-performance by the Issuer of any of its obligations, whether to the Purchaser or otherwise.
- 13 The Purchaser is not an Affiliate of the Issuer or a person acting on behalf of such an Affiliate.
- 14 The Purchaser acknowledges, represents and agrees that (i) the Notes have not been and will not be registered or qualified as a public offer under the securities legislation of any jurisdiction, (ii) the Notes will not be registered under the Securities Act, and (iii) the Notes are being sold to the Purchaser in a transaction that is exempt from the registration requirements of the Securities Act. The Purchaser understands and agrees that unless so registered, the Notes may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.
- 15 The Purchaser will not offer or sell any of the Notes which may be acquired by them in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale or invitation except under

circumstances that will result in compliance with any applicable laws and/or regulations. The Purchaser has not taken any action or omitted to take any action which will or may result in either the Issuer or the Placement Agent, or any of their respective directors, officers, agents, employees, Affiliates or advisers acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the subscription for the Notes.

- 16 The Purchaser confirms that it is outside the United States and is acquiring the Notes in an “offshore transaction” as defined in, and in accordance with, Regulation S under the Securities Act (“**Regulation S**”).
- 17 The Purchaser was not made aware of the Placement and the Notes as a result of any directed selling efforts (within the meaning of Regulation S).
- 18 The Purchaser's purchase of the Notes is lawful under the securities laws of the jurisdiction in which it accepts the offer to purchase the Notes. The Purchaser has obtained any consent, approval or permission required for such purchase or sales of Notes by the Purchaser under the laws and regulations of any jurisdiction to which it is subject or in which it makes such purchase or sales, and neither the Issuer nor the Placement Agent shall have any responsibility therefor.
- 19 The Purchaser acknowledges that (i) the Placement Agent neither makes nor has made any warranty, representation or recommendation as to the merits of the Notes, the subscription for or offer thereof, or as to the condition, financial or otherwise, of the Issuer or its subsidiaries and Affiliates or as to any other matter relating thereto or in connection therewith; (ii) nothing herein shall be construed as a recommendation to the Purchaser to subscribe for the Notes; (iii) the Purchaser has not relied on any statement, opinion or representation made by the Placement Agent or on its behalf to induce the Purchaser to subscribe for the Notes and that it has and will continue to make its own appraisal of the Placement; and (iv) no information has been supplied by the Placement Agent and it has relied upon its own investigations and resources in deciding to invest in the Notes.
- 20 The Purchaser understands that the foregoing representations and acknowledgments are required in connection with United States, India and other securities laws. The Purchaser acknowledges that the Placement Agent, the Issuer and others shall be entitled to and will rely upon the truth and accuracy of its representations and acknowledgments set forth herein, and it agrees to notify the Issuer and the Placement Agent promptly in writing if, at any time before the closing of the Notes, any of its representations or acknowledgments herein ceases to be accurate and complete.
- 21 The Purchaser understands that no public market now exists for the Notes, and that the Issuer has made no assurances that a public market will ever exist for the Notes.
- 22 The Purchaser acknowledges, represents and agrees that it is eligible to purchase the Notes under applicable Indian laws and regulations and rules and regulations applicable to the GIFT City IFSC and is not prohibited under any applicable Indian laws or regulations and rules and regulations applicable to the GIFT City IFSC from acquiring, owning or selling the Notes.
- 23 The Purchaser acknowledges that the Notes to be purchased by it for its own account or on behalf of certain accounts are intended to be issued in global form, with beneficial interests therein transferable on book-entry records of the relevant clearing systems and their participating organisations for credit to the respective accounts of the purchasers of the Notes, and that Merrill Lynch (Singapore) Pte. Ltd. may, at the request of the Issuer, facilitate settlement of the Notes through the facilities of the clearing systems (Merrill Lynch (Singapore) Pte. Ltd., in such capacity, the “**Settlement Agent**”). The Purchaser acknowledges and agrees that (i) Merrill Lynch (Singapore) Pte. Ltd. may act as Settlement Agent for the Issuer in connection with the Purchaser's purchase of the Notes, (ii) the Settlement Agent will act solely as the agent of the Issuer and not of the Purchaser, and the role of the Settlement Agent is administrative only, (iii) the Settlement Agent is not acting in the capacity of underwriter, initial purchaser, fiduciary, advisor or any similar capacity in connection with the Purchaser's purchase of the Notes and that the Settlement Agent shall not

be deemed to act as principal in the sale and placement of the Notes, notwithstanding (x) that the Settlement Agent, in connection with effectuating transfers of beneficial interests in the Notes, may take delivery of the Notes and deliver them to the Purchaser through the facilities of the clearing systems and (y) any terminology used in any communications between the Settlement Agent and the clearing systems and (iv) the Settlement Agent (in such capacity) has no duties to the Purchaser in such capacity and assumes no responsibility for any obligations of the Issuer to the Purchaser.

- 24 The Purchaser shall pay to the Placement Agent, on demand, a sum equal to all losses and liabilities incurred or suffered by the Placement Agent or any of its Affiliates arising out of or in connection with any breach of the selling or transfer restrictions relating to or connected with the sale or purchase of the Notes or any other breach by the Purchaser of its obligations hereunder.

PRESENTATION OF FINANCIAL INFORMATION

The Issuer's audited standalone financial information as at and for the financial year ended 31 March 2026 included in this Information Memorandum has been derived from the Issuer's audited standalone financial statements as at and for the financial year ended 31 March 2026 (the "**Fiscal 2026 Audited Financial Statements**"). The Issuer's audited standalone financial information as at and for the financial year ended 31 March 2025 included in this Information Memorandum has been derived from the Issuer's audited standalone financial statements as at and for the financial year ended 31 March 2025 (the "**Fiscal 2025 Audited Financial Statements**"), and the Issuer's audited standalone financial information as at and for the financial year ended 31 March 2024 included in this Information Memorandum has been derived from the Issuer's audited standalone financial statements as at and for the financial year ended 31 March 2024 (the "**Fiscal 2024 Audited Financial Statements**"). The Issuer's unaudited standalone financial information as at and for the three months ended 30 June 2025 and 30 June 2026 included in this Information Memorandum has been derived from the Issuer's unaudited standalone financial results for the three months ended 30 June 2026 (the "**Unaudited Condensed Standalone Interim Financial Statements**", and together with the Fiscal 2026 Audited Financial Statement, Fiscal 2025 Audited Financial Statement and the Fiscal 2024 Audited Financial Statement, the "**Financial Statements and Financial Results**").

INDUSTRY AND MARKET DATA

Market data and certain industry forecasts used throughout this Information Memorandum have been obtained based on, among other sources, internal surveys, market research, publicly available information and industry publications. Industry publications generally state that the information that they contain has been obtained from sources believed by the Issuer to be reliable and accurate but that the accuracy and completeness of that information is not guaranteed. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified, and none of the Issuer, the Placement Agent or the Agents or any of their respective affiliates, directors, employees, representatives, agents, officers or advisers or any person who controls any of them makes any representation as to the correctness, accuracy or completeness of that information. In addition, third-party information providers may have obtained information from market participants and such information may not have been independently verified. Accordingly, such information should not be unduly relied upon.

CERTAIN TERMS AND CONVENTIONS AND CURRENCY PRESENTATION

This Information Memorandum has been prepared using a number of conventions, which investors should consider when reading the information contained herein. Unless indicated otherwise, in this Information Memorandum all references to the "**Issuer**", the "**Bank**" or "**our Bank**" are to IDFC FIRST Bank Limited or, as the context permits, IDFC FIRST Bank Limited, acting through its IFSC Banking Unit.

All references in this document to "**U.S. dollars**", "**U.S.\$**" and "**\$**" refer to United States dollars and to "**Rupee**", "**INR**", "**Rupees**", "**₹**" and "**Rs.**" refer to Indian Rupees.

References to “**lac**”, “**lakhs**” and “**crores**” in the Bank’s Financial Statements and Financial Results are to the following:

One lakh or lac	100,000 (one hundred thousand)
One crore	10,000,000 (ten million)
Ten crores	100,000,000 (one hundred million)
One hundred crores	1,000,000,000 (one thousand million or one billion)

Any discrepancies in the tables included herein between the listed amounts and the totals thereof are due to rounding.

In this Information Memorandum, where information has been presented in thousands, millions or billions of units, amounts may have been rounded up or down. Accordingly, totals of columns or rows of numbers in tables may not be equal to the apparent total of the individual items and actual numbers may differ from those contained herein due to rounding. References to information in billions of units are to the equivalent of a thousand million units.

FORWARD-LOOKING STATEMENTS

This Information Memorandum contains forward-looking statements. The forward-looking statements contain information regarding, among other things, the Issuer’s future operations, performance, financial condition, expansion plans and business strategy. These forward-looking statements are based on the Issuer’s current expectations and projections about future events. Although the Issuer believes that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties and assumptions, including, among other things:

- the general economic, political and social conditions and developments in India and globally;
- risks associated with the Indian banking industry, including but not limited to the regulatory environment overseen by the RBI;
- monetary and macroeconomic measures taken by the Government of India and the RBI to manage the Indian economy and financial system;
- the business and operating strategies and the future business development of the Issuer;
- various business opportunities that the Issuer may pursue;
- changes in competitive conditions and the Issuer’s ability to compete under these conditions;
- the Issuer’s operations and business prospects;
- the Issuer’s capital expenditure and development plans;
- the Issuer’s expectations with respect to its ability to acquire and maintain regulatory qualifications required to operate its business;
- the availability and borrowing costs of funding, deposits, bonds and other forms of financing;
- the Issuer’s financial condition and results of operations;
- changes in currency exchange rates;
- other factors beyond the Issuer’s control; and
- those other risks identified in the “*Risk Factors*” section of this Information Memorandum.

The words “believe”, “expect”, “anticipate”, “estimate”, “intend”, “plan”, “seek” and similar words identify forward-looking statements. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding expected financial condition and results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include but are not limited to statements as to the business strategy, revenue, profitability, planned projects and other matters as they relate to the Issuer discussed in this Information Memorandum regarding matters that are not historical fact. Although the Issuer believes that the expectations reflected in the forward-looking statements are reasonable, the Issuer can give no assurance that such expectations will prove correct. The Issuer undertakes no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise. In light of the foregoing and the risks, uncertainties and assumptions in “*Risk Factors*” and elsewhere in this Information Memorandum, the forward-looking statements in this Information Memorandum are not and should not be construed as assurances of future performance and the Issuer’s actual results could differ materially from those anticipated in those forward-looking statements.

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THE OFFERING

The following summary contains some basic information about the Notes. Some of the terms described below are subject to important limitations and exceptions. Words and expressions defined in the Conditions shall have the same meanings in this summary. For a more complete description of the terms and conditions of the Notes, see “Terms and Conditions of the Notes”.

Issuer	IDFC FIRST Bank Limited, acting through its IFSC Banking Unit
Issue	U.S.\$350,000,000 5.800 per cent. Senior Notes due 2031.
Form, Specified Denomination and Title	The Notes will be issued in registered form in the specified denomination of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof.
Interest	The Notes will bear interest from and including 28 August 2026 at the rate of 5.800 per cent. per annum, payable semi-annually in arrear on 28 February and 28 August of each year, commencing on 28 February 2027 up to and excluding the Maturity Date, 28 August 2031.
Issue Date	28 August 2026.
Maturity Date	28 August 2031.
Use of Proceeds	The net proceeds from the offering of the Notes will be used for general corporate purposes. See “ <i>Use of Proceeds</i> ”.
Status of the Notes	The Notes will constitute direct, unconditional, unsubordinated and (subject to Condition 3(a) of the Conditions) unsecured obligations of the Issuer and shall rank <i>pari passu</i> among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations) of the Issuer from time to time outstanding.
Negative Pledge	The Notes will contain a negative pledge provision as further described in Condition 3(a) of the Conditions.
Events of Default	Upon the occurrence of certain events as described in Condition 8 (<i>Events of Default</i>) of the Conditions, Noteholders holding not less than one quarter of the aggregate principal amount of the outstanding Notes may, by written notice addressed to the Issuer and delivered to the Issuer, declare the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their principal amount, together with accrued interest, without further action or formality. See “ <i>Terms and Conditions of the Notes – Events of Default</i> ”.
Taxation	All payments of principal and interest by or on behalf of the Issuer in respect of the Notes will be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, assessments or other governmental charges or duties of whatever nature imposed, levied, collected, withheld or assessed by or within, or on behalf of, India or any political subdivision or any authority thereof or therein having power to tax,

unless such withholding or deduction is required by law. In that event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the Noteholders after such withholding or deduction equal the amounts which would otherwise have been receivable in respect of the Notes, except in the circumstances set out in Condition 7 (*Taxation*) of the Conditions. See “*Terms and Conditions of the Notes – Taxation*”.

Final Redemption

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on 28 August 2031.

Redemption for Taxation Reasons

At any time prior to the Maturity Date, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on giving not less than 30 nor more than 60 days’ notice to the Fiscal Agent, the Paying Agent and, in accordance with Condition 14 (*Notices*), the Noteholders (which notice shall be irrevocable), at 100 per cent. of their principal amount together with interest accrued to (but excluding) the date of redemption, if (i) on the occasion of the next payment due under the Notes the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 (*Taxation*) of the Conditions as a result of any change in, or amendment to, the laws, regulations or rulings of India or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after 24 August 2026, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. See “*Terms and Conditions of the Notes – Redemption and Purchase – Redemption for tax reasons*”.

Optional Redemption at Par

The Issuer may, at its option, on giving not less than 30 nor more than 60 days’ notice to the Fiscal Agent, the Paying Agent and, in accordance with Condition 14 (*Notices*), the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes on the relevant date fixed for redemption), redeem the Notes in whole, but not in part, at any time on or after 28 May 2031 to (but excluding) the Maturity Date, at 100 per cent. of their principal amount, together with interest accrued to (but excluding) the date fixed for redemption.

Further Issues

The Issuer may from time to time, without the consent of the Noteholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes. See “*Terms and Conditions of the Notes – Further Issues*”.

Clearing Systems	The Notes will be represented by the Global Certificate in registered form, which will be registered in the name of a nominee of, and shall be deposited on the Issue Date with, a common depositary for Euroclear and Clearstream. Beneficial interests in the Global Certificate will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream. Except in the limited circumstances as described in the Global Certificate, individual certificates for the Notes will not be issued in exchange for interests in the Global Certificate.
Listing	An application will be made for the Notes to be listed on the Vienna Stock Exchange and admitted to trading on the Vienna MTF. The Vienna MTF is not a regulated market for the purposes of MiFID II or a UK regulated market for the purposes of UK MiFIR. The Issuer will use reasonable best efforts to procure the listing of the Notes on the NSE IX and/or the India INX within 90 days of the Issue Date.
Governing Law and Jurisdiction	The Agency Agreement, the Deed of Covenant and the Notes and any non-contractual obligations arising out of or in connection with them will be governed by, and shall be construed in accordance with, English law. The courts of England will have exclusive jurisdiction to settle any disputes arising from or in connection with the Notes.
Fiscal Agent, Principal Paying Agent, Registrar and Transfer Agent	GLAS Trust Company LLC
Selling Restrictions	The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes are being offered in offshore transactions outside the United States in reliance on Regulation S.
Legal Entity Identifier	335800SBNAPYVT1D2K13
ISIN	XS3486717401
Common Code	348671740
Placement Agent	Merrill Lynch (Singapore) Pte. Ltd.

RISK FACTORS

Prior to making any investment decision, prospective investors should carefully consider all of the information in this Information Memorandum, including the risks and uncertainties described below. The business, financial condition or results of operations of the Issuer could be materially adversely affected by any of these risks. The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. Factors which the Issuer believes may be material for the purpose of assessing the risks associated with the Notes are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay principal, interest or other amounts or fulfil other obligations on or in connection with the Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of investing in or holding the Notes are exhaustive.

The following risk factors should be read together, as many of the risks are interrelated and may materialise concurrently. For example, macroeconomic stress, climate-related events, funding pressure, cyber disruption, regulatory intervention and asset-quality deterioration may reinforce one another and could have a cumulative adverse effect on our business, financial condition, results of operations, capital position, reputation and cash flows.

RISKS RELATING TO OUR BUSINESS

Our Bank's business is vulnerable to interest rate risk, and volatility in interest rates could have an adverse effect on our Net Interest Margin, which would adversely affect our Net Interest Income and, in turn, our results of operations and cash flows.

Our Bank's results of operations are substantially dependent on the amount of our net interest income, which our Bank defines as interest earned less interest expended ("Net Interest Income").

Interest rates are highly sensitive and volatility in interest rates could be a result of many factors, including the RBI's monetary policy, deregulation of the financial services sector in India, domestic and international economic and political conditions, inflation and economic policies in India and other factors.

In a rising interest rate environment, our Net Interest Income and Net Interest Margin may be adversely affected if the yield on our interest-earning assets does not increase simultaneously with, or to the same extent as, our cost of funds. Conversely, in a declining interest rate environment, our Net Interest Income and Net Interest Margin may be adversely affected if our cost of funds does not decline simultaneously with, or to the same extent as, the yield on our interest-earning assets. Our Bank defines Net Interest Margin as the difference between interest earned and interest expended divided by the daily average of interest-earning assets. While any reduction in the interest rates we pay on deposits and borrowings may be passed on to customers for our loans, we may be unable to pass on any increase in lending rates to customers who have existing fixed-rate loans. Any inability to retain customers as a result of rising interest rates may adversely impact our Bank's earnings in future periods. Similarly, in a falling interest rate environment, we may face challenges in retaining customers if we are unable to offer competitive lending rates compared with other banks in the market. Competitive pressure may also require us to reduce lending rates without a proportionate reduction in the rates at which we raise funds. Our customers may also prepay their loans to take advantage of a declining interest rate environment. An increase in the interest rates charged by us on advances could also result in borrowers, particularly those with variable interest rate loans, prepaying their loans if they are able to switch to more competitively priced loans offered by other banks. Moreover, any systemic decline in low-cost funding available to banks in the form of current and savings account deposits would adversely impact our Bank's Net Interest Margin.

Any increase in our Bank's NPAs or provisioning requirements required under applicable RBI regulations could adversely affect our financial condition, results of operations and cash flows.

Our NPAs may increase in the future due to several factors, including inconsistent industrial and business growth in recent years, high levels of debt involved in financing of projects, a large number of frauds, regulatory and legal changes affecting our Bank's loan portfolio, adverse effects on our borrowers' businesses or incomes resulting from epidemics or pandemics, a rise in unemployment, slow business growth, changes in customer behaviour, challenging economic conditions affecting our Bank's project finance loan portfolio or other key sectors and demographic patterns, adverse macroeconomic conditions including fluctuation in the crude oil prices impacting domestic demand conditions and changes in central and state government policies and regulations. Any of these factors could further increase our Bank's NPA levels and have a material, adverse impact on the quality of our Bank's loan portfolio and have a material, adverse effect on our business, financial condition, results of operations and cash flows. Additionally, if the systems and processes established by our Bank to identify NPAs fail or are not able to identify the NPAs correctly and in a timely manner, our Bank's financial position could be adversely affected.

Provisions for NPAs are created by a charge to our profit and loss account and are currently subject to minimum provisioning requirements, linked to ageing of NPAs. In addition to the relevant regulatory minimum provisioning, we also consider our internal estimate for loan losses and risks inherent in the credit portfolio when deciding on the appropriate level of provisions. The determination of an appropriate level of loan losses and provisions involves a degree of subjectivity and requires that we make estimates of current credit risks and future trends, all of which may be subject to material changes. Any significant changes in the macroeconomic scenario along with other factors may result in our Bank's provisioning not being adequate to cover any further increase in the amount of NPAs or any further deterioration in our NPA portfolio. While we have already made provisions for NPAs, there can also be no assurance that the RBI will not further increase provisioning requirements in the future.

Our income from treasury operations is subject to volatility due to, among other things, changes in interest rates and foreign currency exchange rates as well as other market fluctuations. An increase in interest rates decreases the value of our fixed income investments.

Our income from treasury operations is subject to volatility due to, among other things, changes in interest rates and foreign currency exchange rates as well as other market fluctuations. For example, an increase in interest rates decreases the value of fixed income investments, such as Government of India securities and corporate bonds, and may, under certain circumstances, require us to mark down the value of these investments on our balance sheet and recognise a loss on our income statement. Changes in corporate bond spreads also affect valuations and expose us to risk of valuation losses. We are also exposed to the risk of a corporate bond issuer defaulting on its obligations.

Realised and mark-to-market gains or losses on investments in fixed income securities, including Government of India securities, are an important element of our income and are impacted by movements in market yields. A rise in yields on government securities reduces our income from this activity and the value of our fixed income investments. Any significant or sustained decline in income generated from treasury operations resulting from market volatility may adversely impact our Bank's financial performance.

Although we have risk and operational controls and procedures in place for our treasury operations, such as sensitivity limits, PV01, value at risk ("VaR") limits, position limits, net overnight open position limit ("NOOP"), stop loss limits and exposure limits that are designed to mitigate the extent of such losses, there can be no assurance that we will not lose money on our investments in the course of trading on our fixed income book in our held-for-trading and available-for-sale portfolio. Any such losses could materially and adversely affect our financial condition, results of operations and cash flows.

Material weakness or failures of our internal control system may cause significant operational errors and could prevent timely and accurate reporting of our Bank's financial results, which may in turn materially and adversely affect our profitability and reputation.

Our Bank's internal controls over financial reporting may not prevent or detect misstatements in a timely manner due to inherent limitations, including human error, circumvention or overriding of controls, or fraud. Our Bank has implemented measures designed to address those internal control deficiencies and expects to continue implementing measures designed to improve our internal control over financial reporting. While our Bank believes that these measures have been effective in correcting these internal control deficiencies in the past, we cannot be certain that, at some point in the future, material weaknesses will not be identified or our Bank's internal controls will not fail to detect a matter they are designed to prevent, and failure to remedy such material weaknesses could result in a material misstatement in its financial statements and have a material, adverse impact on our Bank's business, financial condition and results of operations.

We are responsible for establishing and maintaining adequate internal measures commensurate with our size and the complexity of our operations. Our internal or concurrent audit functions are equipped to make an independent and objective evaluation of the adequacy and effectiveness of internal controls on an ongoing basis to ensure that business units adhere to our policies, compliance requirements and internal circular guidelines.

While we periodically test and update, as necessary, our internal control systems, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to guarantee effective internal controls in all circumstances. Given our high volume of transactions, it is possible that errors may repeat or compound before they are discovered and rectified. Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal control weaknesses are identified, our actions may not be sufficient to fully correct such internal control weaknesses.

We face operational risks in our business and there may be losses due to deal errors, deficiencies in the credit sanction process, settlement problems, errors in computation of net asset value, pricing errors, inaccurate financial reporting, fraud and failure of critical systems and infrastructure. There is no guarantee that our existing fraud monitoring systems or improvements will be able to monitor or detect all the frauds that may occur in the future. In addition, we carry out certain processes manually, and even though there are proper checks and controls, this may still increase the risk of human error, tampering or manipulation, which may result in losses that may be difficult to detect. As a result, we may eventually suffer material monetary losses.

Our Bank's failure to manage growth effectively may adversely affect our Bank's business.

Our Bank's ability to sustain its growth depends primarily on its ability to manage key issues, such as selecting and retaining skilled manpower, maintaining an effective technology platform that can be continually upgraded, developing a knowledge base to implement our Bank's strategies and ensuring a high standard of customer service. If our Bank is unable to effectively manage any of these issues, our Bank's business, financial condition, results of operations and cash flows may be adversely affected.

In addition, given the increasing share of retail products and services and transaction banking services in our Bank's overall business, the importance of systems technology to our Bank's business has increased significantly. Any failure in our Bank's systems, particularly for retail products and services and transaction banking, could significantly affect our Bank's operations and the quality of its customer service, and could adversely affect our Bank's business, financial condition, results of operations and cash flows.

Our Bank and our customers are exposed to fluctuations in foreign exchange rates.

As a financial intermediary, our Bank is exposed to foreign exchange rate risk. Moreover, several of our borrowers enter into derivative contracts to manage their foreign exchange risk exposures. Volatility in exchange rates may result in increased mark-to-market losses in derivative transactions for our clients. Upon the maturity or premature termination of the derivative contracts, these mark-to-market losses become receivables owed to us. Consequently, we become exposed to various kinds of risks, including but not limited to, credit risk, market risk and exchange risk.

Some of our borrowers with foreign exchange and derivative exposures may be adversely affected by the depreciation of the rupee. These include borrowers: (i) who are adversely affected by higher rupee-denominated interest or principal repayment obligations on unhedged foreign currency borrowings; (ii) who are adversely affected by increases in the cost of raw material imports where there is limited ability to pass through such escalations to customers; (iii) who face escalation of project costs due to higher imported equipment costs; and (iv) who may have taken adverse positions in the foreign exchange markets. Some of our borrowers with foreign exchange and derivative exposures may also be adversely affected by appreciation of the rupee. These include borrowers: (i) who are exporters and whose goods or services will be more expensive in foreign currency terms where there is limited ability to pass through such increases in prices to foreign customers; and (ii) who may have taken adverse positions in the foreign exchange markets. The failure of our borrowers to manage their exposure to foreign exchange and derivative risk, particularly adverse movements and volatility in foreign exchange rates, may adversely affect such borrowers and, consequently, the quality of our exposure to them, our business volumes and our profitability.

If our borrowers who have availed secured loans default, there may be delays and difficulties in enforcing the sale of collateral and we may be unable to recover the expected value of the collateral, which could have an adverse effect on our business, financial condition, results of operations and cash flows.

A significant portion of our Bank's advances are secured by tangible assets, including property, gold, plant, equipment, inventory, receivables and current assets, as well as by pledges or charges on fixed assets, bank deposits and financial assets such as marketable securities, and may also be covered by bank or government guarantees.

In the event of a default under a secured loan, we may be unable to realise the full value of the collateral, if at all, as a result of, among other factors: (i) obstacles and delays in bankruptcy, legal and foreclosure proceedings, including due to the introduction of any laws, rules or regulations that provide for moratoriums or exemptions on the sale of collateral in response to any adverse economic financial conditions; (ii) defects or deficiencies in the perfection of collateral (including due to the inability to obtain approvals that may be required from third parties); (iii) fraud by borrowers; (iv) decreases in the value of the collateral; (v) errors in assessing the value of the collateral; (vi) an illiquid market for the sale of the collateral; (vii) current legislative provisioning coverage or changes thereto; (viii) future judicial pronouncements; (ix) volatility in commodity prices; (x) stock market volatility; (xi) changes in economic policies of the Government of India; (xii) borrowers and guarantors not being traceable; and (xiii) our Bank's records of borrowers' and guarantors' addresses being ambiguous or outdated.

If we are unable to secure funding on acceptable terms and at competitive rates when needed, there could be a material, adverse effect on our business, financial condition, results of operations and cash flows.

Our funding requirements are met primarily through short-term and medium-term customer deposits. In the past, a substantial portion of our customer term deposits has been rolled over upon maturity and has been a stable source of funding. However, if a substantial number of our depositors do not roll over term deposits upon maturity, our liquidity position will be adversely affected. Although retail deposits constitute a significant part of our deposit base, we also accept high value deposits depending on funding requirements. We cannot assure you that these depositors will not prematurely withdraw their deposits or that they will renew their deposits at the end of their respective terms. If depositors do not renew their deposits or if our Bank is unable to raise new deposits, our Bank may face a liquidity problem and may be required to pay higher rates of interest to attract deposits or utilise other higher cost sources of borrowings, which could adversely affect our Bank's results of operations.

In addition, the ongoing availability of deposits is sensitive to a variety of factors beyond our Bank's control, such as general economic conditions and the confidence of commercial depositors in the economy and in the financial services industry, retail customers' changing perceptions toward savings, competition between banks including pricing of deposits, and the availability and extent of deposit guarantee as well as any changes in the regulatory environment with respect to deposits. The availability of deposits may also be affected by the availability of investment alternatives. For example, in a favourable economic environment, retail customers may reduce their deposits and

increase their investment in securities for a higher return, while MSMEs and mid-corporate customers may reduce their deposits in order to invest in business ventures. Any of these factors could significantly increase the amount of commercial deposit withdrawals in a short period of time, thereby reducing our Bank's ability to access commercial deposit funding on economically appropriate and reasonable terms, or at all, in the future. As a result, we may be required to seek funding from more expensive sources to finance our operations, and it is uncertain whether our Bank will be able to obtain additional funding on commercially reasonable terms as and when required, if at all, which could have a material, adverse effect on our results of operations. Our Bank's ability to raise additional funds may be impaired by factors over which it has little or no control, such as deteriorating market conditions or severe disruptions in the financial markets. Our Bank cannot assure you that in the event of a sudden or unexpected shortage of funds in the banking system, it will be able to maintain levels of funding without incurring high funding costs, a reduction in the term of funding instruments or the liquidation of certain assets. Therefore, if our Bank fails to maintain its desired level of deposits, our Bank's liquidity position, financial condition and results of operations could be materially and adversely affected.

In addition to short and medium-term customer deposits, our other sources of funding are primarily market borrowings, such as certificates of deposit, interbank term deposits, repos, collateralised borrowing and lending obligation borrowings and refinances. Failure to obtain these sources of funding or replace them with other deposits or borrowings at competitive rates may materially and adversely affect our business, financial condition and results of operations.

The pricing on our issuances of debt will also be negatively impacted by any downgrade or potential downgrade in our credit ratings, which could increase our financing costs, and adversely affect our future issuances of debt and our ability to raise new capital on a competitive basis.

We are subject to the directed lending requirements of the RBI, and any shortfall in meeting these requirements may be required to be invested in Government of India schemes that yield low returns, thereby adversely affecting our income. We may also experience a higher level of NPAs in our directed lending advances, which could adversely affect our business, financial condition, results of operations and cash flows.

The RBI requires that every bank extend 40.00% of its adjusted net bank credit or the credit equivalent amount of off-balance sheet exposures, whichever is higher, to "priority sectors", such as agriculture, MSMEs, export credit, education, housing, social infrastructure and renewable energy. Of this overall target of 40.00%, banks have sub-targets for lending to key segments or sectors, such as agriculture, micro enterprises and advances to weaker sections. The RBI requires domestic commercial banks to extend 18.00% of the adjusted net bank credit or the credit equivalent amount of off-balance sheet exposures, whichever is higher, to the agricultural sector, out of which 10.00% is prescribed for small and marginal farmers for Fiscal 2024. Further, 7.50% of the adjusted net bank credit or the credit equivalent amount of off-balance sheet exposures, whichever is higher, is prescribed for micro enterprises and 12.00% is prescribed for advances to weaker sections for Fiscal 2024. Any revision in the definition or classification of segments eligible for priority sector lending could affect our ability to meet priority sector lending requirements. Any shortfall in meeting the priority sector lending requirements may be required to be invested, at the RBI's direction, in schemes such as the Rural Infrastructure Development Fund of NABARD, funds maintained with SIDBI or other funds or schemes notified by the RBI from time to time ("PSL Shortfall Schemes"). The aggregate amount of funding required by such schemes is drawn from banks that have shortfalls in achievement of their priority sector lending targets, with the amounts drawn from each bank determined by the RBI.

The RBI has also allowed banks to sell and purchase priority sector lending certificates in the event of excess/ shortfall in meeting priority sector targets, which may help in reducing the shortfall in priority sector lending. However, this would depend on the availability of such certificates for trading. In addition, according to the RBI guidelines, failure to achieve priority sector lending target and sub-targets will be taken into account by the RBI when granting regulatory clearances/ approvals for various purposes.

As a result of priority sector lending requirements, we have lending exposure to customers in the agricultural and small enterprise sectors, especially in rural areas. In case of any economic difficulties,

political tensions, government policy changes, industry specific problems or any such issues beyond the control of the Bank, we may experience a higher level of NPAs in our directed lending portfolio. There is inadequate historical data of delinquent loans to farmers, which increases the risk of such exposures. Additionally, economic difficulties, such as poor harvests in the agricultural sector due to drought, are likely to affect borrowers in priority sectors more severely. Under the RBI guidelines, specified categories of agricultural loans are classified as non-performing when they are overdue for more than two crop seasons in the case of short-duration crops and one crop season for long-duration crops, as compared to 90 days for loans in general. Thus, the classification of overdue loans as non-performing occurs at a later stage in respect of such loans than the loan portfolio in general. As our Bank increases its direct lending to certain sectors, our Bank increases its exposure to the risks inherent in such sectors.

We may face asset liability mismatches, which could affect our liquidity and, consequently, may adversely affect our financial condition, results of operations and cash flows.

We face liquidity risks due to mismatches in the maturity of our assets and liabilities. Liquidity risk is the risk that our Bank either does not have available sufficient financial resources to meet its obligations as they fall due or can secure them only at excessive cost. This risk is inherent in any retail and commercial banking business and can be heightened by a number of enterprise-specific factors, including overreliance on a particular source of funding, changes in credit ratings or market-wide phenomena such as market dislocation. While our Bank implements liquidity management processes and tools, such as Structural Liquidity analysis and Liquidity Coverage Ratio, to seek to mitigate and control this risk, unforeseen systemic market factors make it difficult to completely eliminate it.

We may rely on funding options with a short-term maturity period for extending long-term loans, which may lead to an asset liability mismatch for certain periods. Mismatches between our assets and liabilities are compounded in case of pre-payments of the advances we grant to our customers. Further, asset liability mismatches create liquidity surplus or liquidity crunch situations and depending upon the interest rate movement, such situations may adversely affect our Net Interest Income. If we are unable to obtain additional borrowings or renew our existing credit facilities for matching tenures of our loan portfolio in a timely and cost-effective manner, if at all, this may lead to mismatches between our assets and liabilities, which could adversely affect our financial condition, results of operations and cash flows.

We rely on our correspondent banks in other countries to facilitate our foreign exchange operations. Any failure to maintain such relationships or enter new such relationships could impact our ability to grow our foreign exchange business.

We maintain nostro accounts dealing in foreign currencies with correspondent foreign banks for facilitating our treasury, trade and remittance transactions. Such accounts facilitate inward and outward remittance, whereby our customers can remit funds to India in any of the currencies for which we have opened such accounts by instructing their banks to remit the funds to our nostro accounts maintained in that particular currency. In case we intend to cater to a different foreign location or currency, we may need to open such nostro accounts with the correspondent banks in those locations. Opening and maintaining such accounts requires compliance with strict KYC norms and any failure to adhere to such norms may result in the correspondent bank closing these accounts. Further, a correspondent bank may discontinue any of the services that it offers in relation to such accounts, which may result in customer dissatisfaction. In addition, we depend on our relationships to avail intra-day facilities, both in India and other jurisdictions, which is required in our Bank's ordinary course of business. We cannot assure you that we will be able to retain our existing correspondent banks or enter into similar arrangements with new correspondent banks on commercially reasonable terms, if at all. In the event that we are unable to open new accounts or continue to maintain existing accounts with our correspondent banks for any reason, we could be forced to scale back our treasury, trade and remittance business, which could adversely affect our business, cash flows, results of operations and financial condition.

Our industry is very competitive and our growth strategy depends on our ability to compete effectively.

We face competition in all our principal areas of business. We compete with other private sector banks, public sector banks, foreign banks in India, NBFCs, small finance banks, payment banks, microfinance institutions, fintech companies, insurance companies, asset management companies, development

financial institutions, mutual funds and investment banks as applicable for the specific product categories that we offer. Public sector banks, which generally have much larger customer and deposit bases, larger branch networks and government support for capital augmentation, pose strong competition to our Bank, and consolidation trends by the public sector banks may further increase these competitive pressures. Our Bank also faces competition from private sector banks in India, some of which have larger customer bases and greater financial resources than our Bank.

Our Bank also faces competition from foreign banks that have established branches in India and have aggressively pursued a share of business in the market. The entry of new banks, greater competition between existing players and improvement in the efficiency and competitiveness of existing banks, may have an adverse effect on our business. In addition, the moderation of growth in the Indian banking sector may lead to greater competition for business opportunities.

Further, technology innovations in mobility and digitisation of financial services require banks to continuously develop new and simplified models for offering banking products and services. Innovations in the payments system and increasing use of mobile banking are leading to the emergence of new platforms for cashless payments. This can also lead to new types of banks expanding their presence in other financial products, such as insurance and mutual funds. These trends in technology could increase competitive pressures on banks, including us, to adapt to new operating models and upgrade back-end infrastructure on an ongoing basis. There is no assurance that we will be able to continue to respond promptly to new technological developments and be in a position to dedicate resources to upgrade our systems and compete with new players entering the market.

Due to these and other competitive pressures, we may be unable to successfully execute our strategies, which could adversely affect our business, financial condition and results of operations.

Our failure to adapt to technological advancements that can potentially disrupt the industry could affect the performance and features of our products and services and reduce our attractiveness to customers.

Any technological advancement in the way customers prefer to execute their banking services may change the way banking is perceived and carried out. Technological innovations such as mobile wallets, mobile operator banking, payment banks and internet banking through smartphones could disrupt the banking industry as a whole. There can be no assurance that we will be able to adapt our systems quickly and efficiently to such changing environments. Even if we are able to maintain, upgrade or replace our existing systems, or are able to innovate, customise and develop new technologies and systems, we may not be as quick or efficient as our competitors in upgrading or replacing our systems. Our failure to adapt to such technological advancements quickly and effectively could affect the performance and features of our products and services and could reduce our attractiveness to existing and potential customers.

We distribute investment products, such as mutual funds and insurance products. If we fail to effectively manage any of the above businesses, our business, results of operation and financial condition could be adversely affected.

In order to grow our non-interest income, we distribute investment products, such as mutual funds and insurance products. While we will engage with various third parties to distribute such products, we may not have adequate control over the actions of such third parties and their products. Any failure on the part of such third parties, including any failure to comply with applicable regulatory norms, any regulatory action taken against such parties or any adverse publicity relating to such party could, in turn, result in negative publicity about us and adversely impact our brand and reputation. Further, in case customers to whom such products are sold experience deficient service or are otherwise aggrieved, we may be subject to litigation or claims for damages by such aggrieved customers, which could have adverse effects on our reputation and our business, financial position and results of operations.

Further, our distribution income from mutual funds, insurance products and other third-party financial products is subject to regulatory oversight by various authorities, including SEBI, the Insurance Regulatory and Development Authority of India (“**IRDAI**”), the Association of Mutual Funds in India (“**AMFI**”) and other relevant regulatory bodies. Regulatory changes relating to commission structures, fee arrangements, revenue-sharing models, product distribution frameworks, disclosure requirements,

customer suitability assessments, conduct standards, incentive structures or restrictions on distribution compensation may materially affect our ability to generate fee income from such businesses.

In recent years, regulators globally and in India have increasingly focused on enhancing transparency, reducing potential conflicts of interest and ensuring fair treatment of investors and policyholders. Any future regulatory measures that reduce permissible commissions, trail revenues, distribution fees, referral income or other compensation arrangements in connection with the sale and distribution of mutual fund, insurance or other investment products may adversely impact our fee-based income and profitability.

Further, changes in regulations governing product manufacturing, open architecture models, bancassurance arrangements, distributor licensing requirements, product suitability norms, customer consent requirements or disclosure standards could increase compliance costs, restrict distribution opportunities or reduce the attractiveness of certain products. Any such changes may adversely affect customer acquisition, product penetration, cross-sell opportunities and overall revenue generated from our wealth management, insurance distribution and investment product distribution businesses, which could materially and adversely affect our business, financial condition, results of operations and cash flows.

Our insurance coverage may be inadequate to cover claims. If we incur substantial uninsured loss or loss that exceeds our insurance coverage, there could be a material, adverse effect on our business, cash flows, results of operations and financial condition.

While we are covered by a range of insurance plans that we believe are consistent with industry practice in India to cover risks associated with our business, the existing coverage may not insure our Bank against all risks and losses that may arise in the future. We may not have insurance covering all of the risks associated with our business, as insurance coverage is either unavailable for certain risks or is prohibitively expensive. In addition, even if such losses are insured, we may be compelled to contribute a substantial deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. In addition, our insurance policies are generally subject to annual renewal, and our ability to renew these policies on similar or otherwise acceptable terms cannot be assured. If we incur a serious uninsured loss, or a loss that significantly exceeds the limits of our insurance policies, there could be a material, adverse effect on our business, cash flows, results of operations and financial condition.

A failure to attract and retain talented professionals may negatively affect our business and results of operations.

Attracting and retaining talented professionals is a key element of our growth strategy and our Bank is highly dependent on the services of its management team and other key personnel. Our Bank's ability to meet future business challenges depends, among other things, on their continued employment and our Bank's ability to attract and recruit talented and skilled personnel. There can be no assurance that our Bank will be able to retain its key personnel. Competition for skilled and professional personnel in our banking industry is intense. Although our Bank believes that all of its directors and executive officers have the requisite credentials and professional expertise necessary to discharge their duties and are compliant with applicable regulatory requirements, there can be no assurance that stakeholders, including regulatory authorities, will not raise objections, or that such objections will not result in the loss of certain members of our Bank's key management team.

Our remuneration scheme is in accordance with industry level settlement standards for the Banking and Financial Services sector in India. If competition in the banking industry increases, especially for employees with certain skillsets that are in high demand considering the new innovations and developments in the industry, attrition rates could increase and could result in increased costs if we need to pay higher salaries to attract employees to replace those who have left.

The failure to attract and retain talented professionals or the resignation or loss of key management personnel may have an adverse impact on our business and future financial performance.

Negative publicity about our Bank could damage our Bank's reputation, business, financial condition and results of operation.

Reputational risk, or the risk to our Bank's business, earnings and capital from negative publicity, is inherent in our Bank's business. The reputation of the financial services industry in general has been closely monitored as a result of the 2008 financial crisis and other matters affecting the financial services industry. Negative public opinion about the financial services industry generally or our Bank specifically could adversely affect our Bank's ability to attract and retain customers, and may expose it to litigation and regulatory action.

Negative publicity can result from our Bank's actual or alleged conduct in any number of activities, including lending practices, mortgage servicing and foreclosure practices, corporate governance, regulatory compliance, mergers and acquisitions and related disclosure, sharing or inadequate protection of customer information, and actions taken by government regulators and community organisations in response to that conduct. Although our Bank takes steps to minimise reputational risk in dealing with customers and other constituencies, our Bank, as a large financial services organisation with a high industry profile, is inherently exposed to this risk. Such negative media coverage may have a material adverse effect on our Bank's reputation, business, financial condition and results of operation.

External or internal fraud, corruption or other misconduct could adversely affect our reputation, business, results of operations and financial condition.

In the past, we have experienced acts of fraud (as defined under the applicable RBI guidelines) committed by or involving our customers/employees. Such acts could also bind us to transactions that exceed authorised limits, present unacceptable risks or hide unauthorised or unlawful activities from us.

Our Bank's governance and compliance procedures may not prevent breaches of law, accounting and/or governance standards, and there can be no assurance that our Bank's employees, agents, and the companies to which our Bank outsources certain of its business operations, will not take actions in violation of our Bank's policies, for which our Bank may be ultimately held responsible. Employee misconduct could involve improper use or disclosure of confidential information, fraud, collusion and unauthorized activity, which could result in regulatory sanctions and serious reputational or financial harm, including harm to our brand. It is not always possible to deter misconduct by employees, and the precautions and systems we have put in place to prevent and deter such activities may not be effective in all cases. Any instances of misconduct or fraud could adversely affect our reputation, business, results of operations and financial condition.

For example, the Bank identified an incident of unauthorised and fraudulent activity at one of its branches in Chandigarh ("**Branch**"), involving certain employees and potentially other individuals/entities. The matter was first disclosed to the relevant stock exchanges in India on 21 February 2026, and KPMG Assurance and Consulting Services LLP ("**KPMG**") was appointed to conduct an independent forensic review.

The forensic review concluded on 5 June 2026, and based on the forensic review report ("**Report**") dated June 2026 issued by KPMG, the Bank noted that the incident arose from collusion involving certain employees/ex-employees of the Branch, certain employees of customers and some third parties. The Bank also noted that the matter was confined to a specific set of accounts operated through the Chandigarh branch and has not been observed at any other branch of the Bank. The Report observed that although system controls were broadly in place (such as SMS alerts, monthly bank statements including balance confirmation via email), certain transactions were processed in collusion between the Branch employees, certain employees of the customers, and certain individuals external to the Bank, by circumventing branch-level manual controls. The net principal amount of approximately Rs. 646 crore identified in the forensic review is in line with the Bank's earlier disclosures. The Bank paid approximately Rs. 646 crore along with applicable interest to the affected clients of the Bank, and the amount was recognised as expenses in the books during financial statements for quarter ended 31 March 2026.

In accordance with regulatory requirements, the Joint Statutory Auditors and Secretarial Auditors have made the requisite filing in Form ADT-4. Apart from this matter, no other instances of fraud were identified by the auditors for the financial year ended 31 March 2026. Details of provisioning relating

to fraud accounts are provided in Note 18.05(h) to the Standalone Financial Statements as at 31 March 2026.

While the Bank has since implemented additional preventive and technology led controls, including enhanced centralised oversight, strengthened customer communication processes and other measures to improve monitoring and mitigate collusion risk, there can be no assurance that such incidents of unauthorized fraudulent activities will not take place in the future. Pending completion of the investigation, the Central Bureau of Investigation has filed charge sheets against certain individuals and businesses in the designated courts, and the Enforcement Directorate has filed a first prosecution complaint under the Prevention of Money Laundering Act, 2002 against certain individuals and businesses in the designated courts.

We depend on the accuracy and completeness of information about customers and counterparties.

We rely on information furnished by customers and counterparties while determining whether to extend credit or to enter into other transactions with such customers and counterparties. We typically rely on financial statements, other financial information and certain representations as to the accuracy and completeness of that information and, with respect to financial statements, on reports of independent auditors provided. For example, in deciding whether to extend credit, we may assume that a customer's audited financial statements conform to generally accepted accounting principles and present fairly, in all material respects, the financial condition, results of operations and cash flows of the customer. Our financial condition and results of operations could be negatively affected by relying on financial statements that do not comply with generally accepted accounting principles or with other information that is materially misleading. We also rely on credit ratings and bureau scores assigned to our customers. Our financial condition and results of operations could be negatively impacted by such reliance on information that is inaccurate or materially misleading. This may affect the quality of information available to us about the credit history of our borrowers, especially individuals and small businesses. As a consequence, our ability to effectively manage our credit risk may be adversely affected.

We may face cyber threats attempting to exploit our network to disrupt services to customers and/or theft of sensitive internal data or customer information, which may cause damage to our reputation and adversely affect our financial condition, results of operations and cash flows.

We offer online banking services to our customers. Our online banking channel includes multiple services, such as opening of digital deposit accounts, electronic funds transfer, bill payment services, the use of credit cards on-line, requesting account statements, and requesting cheque books. We are therefore exposed to various cyber threats, including: (i) phishing and Trojans targeting our customers, wherein fraudsters send unsolicited mails to our customers soliciting account sensitive information or infecting customer machines to search and attempt exfiltration of account sensitive information; (ii) hacking, wherein attackers seek to hack into our website with the primary intention of causing reputational damage to us by disrupting services; and (iii) data theft, wherein cyber criminals may attempt to enter our network with the intention of stealing our data or information. In addition, we also face the risk of our customers incorrectly blaming us and terminating their accounts with us for any cyber security breaches that may have occurred on their own system or with that of an unrelated third party or through compromise of their security details by them. Cyber security breaches could lead to the loss of trade secrets or other intellectual property, or could lead to the public exposure of personal information (including sensitive financial and personal information) of our customers and employees. The frequency of such cyber threats may increase in the future with the increased digitisation of our services. Although we will continue to strengthen our security technology and establish operational procedures to prevent break-ins, damage and failures, there can be no assurance that instances of IT infringements and security breaches will not take place in the future or that our security measures will be adequate or successful. Any cyber security breach could also subject us to additional regulatory scrutiny and expose us to civil litigation and related financial liability.

The risk of a security breach caused by a cyberattack at a vendor or by unauthorised vendor access has also increased in recent years. Additionally, the existence of cyber-attacks or security breaches at third-party vendors with access to our data may not be disclosed to us in a timely manner. We also face indirect technology, cybersecurity and operational risks relating to clients and other third parties with

whom we do business or upon whom we rely to facilitate or enable our business activities, including, for example, financial counterparties, regulators and providers of critical infrastructure such as internet access and electrical power. As a result of increasing consolidation, interdependence and complexity of financial entities and technology systems, a technology failure, cyber-attack or other information or security breach that significantly degrades, deletes or compromises the systems or data of one or more financial entities could have a material impact on counterparties or other market participants, including us.

Our business operations are heavily reliant on our information technology systems. Any failure of, or disruptions in, our systems could have an adverse impact on our operations and financial condition.

Our business is largely dependent on our information technology systems. We service our customers, undertake our risk management, deposit servicing and loan origination functions and increase our portfolio of products and services through our information technology systems. We also rely on our technology platform to undertake financial control and process transactions. In addition, our systems connect our ATMs, branches and other delivery channels. Our hardware and software systems are also subject to damage or incapacitation by human error, natural disasters, power loss, sabotage, computer viruses and similar events or the loss of support services from third parties such as internet backbone providers. Our information technology system may not remain free of interruptions and may not meet our requirements or be suitable for use in any particular condition. There can be no assurance that we may not encounter disruptions in the future due to substantially increased numbers of customers and transactions, or for other reasons. Any failure to maintain the reliability and efficiency of our systems could adversely affect our reputation and lead to difficulties in attracting and retaining customers. Any system interruption, failure or downtime and any failure to develop necessary technology may materially and adversely affect our business, financial condition and results of operations.

Any failure by our third-party vendors to perform any key processes and critical application systems could adversely affect our business, financial condition and results of operations. In the event we experience material interruptions in our IT systems in the future, which may result in all or some of our banking services and payment systems being unavailable for short periods of time, this could give rise to a deterioration in customer service and to a loss or liability for our business and could adversely affect our business, financial condition, results of operations and cash flows.

We seek to protect our computer systems and network infrastructure from physical break-ins as well as from security breaches and other disruptive problems caused by our increased use of the internet. Computer break-ins and power disruptions could affect the security of information stored in and transmitted through these computer systems and network infrastructure. There may be areas in the system that have not been properly protected from security breaches and other attacks. We employ security systems, including sophisticated threat management systems and password encryption, designed to minimise the risk of security breaches. Although we intend to continue to implement security technology and establish operational procedures to prevent break-ins, damage and failures, there can be no assurance that these security measures will be adequate or successful. Failed security measures could have a material, adverse effect on our business, financial condition and results of operations. Our business has a high volume of transactions. Although we take measures to safeguard against systems related and other fraud, there may be certain situations in which fraud may occur. Our reputation could be adversely affected by significant fraud committed by employees, customers or outsiders.

Our Bank has previously been subject to show cause notices, fines, penalties and settlement of payments, imposed by the RBI and other statutory bodies in connection with investigations by regulatory and enforcement authorities, as well as to show cause notices, sanctions and requirements relating to conduct of business and financial crime. Any additional show cause notices, fines, penalties and settlement payments imposed by the RBI and other statutory bodies on our Bank could cause serious reputational harm to our Bank and negatively affect our business, financial condition, results of operations and cash flows. Being a listed company in India, we are required to comply with the regulations of SEBI.

The RBI is empowered under the Banking Regulation Act, 1949 (“**Banking Regulation Act**”) and the circulars, guidelines and notifications issued thereunder to impose penalties on banks and their

employees to enforce applicable regulatory requirements. In the past, the RBI has levied penalties on us for non-compliance with guidelines and instructions issued by the RBI from time to time.

If we are subject to any such show cause notices, fines, penalties and settlement payments imposed by the RBI and other statutory bodies, it could cause serious reputational harm to our Bank and negatively affect our business, financial condition, results of operations and cash flows.

In addition, being a listed entity, our Bank is required to comply with the requirements of the SEBI Listing Regulations and other requirements prescribed by SEBI and the stock exchanges from time to time. If we fail to comply with these requirements, our Bank may be subject to, amongst others, penal action, warnings and show cause notices from SEBI and the stock exchanges or a court under the Securities and Exchange Board of India Act, 1992 and/or any other applicable securities laws, which may materially affect our business, results of operations and our financial condition.

We are subject to inspection by various regulatory authorities, including the RBI, PFRDA, IRDAI and NSDL. Non-compliance with the observations of such regulators could adversely affect our business, financial condition, results of operations and cash flows.

We are subject to inspections by various regulatory authorities, including the RBI, the Pension Fund Regulatory and Development Authority (“PFRDA”), the Insurance Regulatory and Development Authority of India (“IRDAI”) and National Securities Depository Limited (“NSDL”).

Inspection by the RBI is a regular exercise for all banks and financial institutions pursuant to which the RBI may issue observations, directions and action plans on various matters, such as risk management systems, credit concentration risk, counterparty credit risk, internal controls, credit allocation and regulatory compliance.

Any significant deficiencies identified by the RBI in a final inspection report that we are unable to rectify to the RBI’s satisfaction could lead to sanctions and penalties being imposed by the RBI on our Bank, which could materially and adversely affect our reputation, business, financial condition, results of operations and cash flows, including by affecting pending applications or requests with the RBI, imposing restrictions on certain business activities or impairing our ability to obtain regulatory permits and approvals required to expand our business.

We are subject to regulatory uncertainty due to the evolving nature of the IFSCA framework.

The IFSCA is a relatively new regulatory body, and its legal and compliance framework is still being developed. As such, there is potential for frequent regulatory updates, new compliance requirements, or shifts in interpretation of existing rules. This evolving landscape may introduce operational uncertainty and increase our compliance burden. The lack of established precedents in enforcement or interpretation also increases the risk of inadvertent non-compliance, which could lead to penalties or delays in regulatory approvals.

Any decline in our income from commission, exchange and brokerage could have an adverse effect on our results of operations and cash flows.

We earn commission, exchange and brokerage income from a variety of activities, including loan processing, distribution of third-party mutual funds and third-party insurance products, transaction banking and retail credit products. Our commission, exchange and brokerage income is therefore affected by the level of corporate activity, including new financing proposals, the demand for retail financial products and the overall level of economic and trade activity. Our commission, exchange and brokerage income is affected by applicable regulations governing various products and segments of financial services, and changes in these regulations may adversely impact our ability to grow this income.

Our fee income from the distribution of third-party products is dependent upon prevailing market conditions, customer demand, competitive dynamics, product performance, regulatory requirements and the compensation structures permitted by applicable regulations. Regulatory authorities, including SEBI, IRDAI and other relevant regulators, may from time to time introduce changes relating to

distribution commissions, trail commissions, fee sharing arrangements, revenue-sharing models, incentive structures, disclosure obligations, customer protection requirements, open architecture frameworks and product suitability standards applicable to mutual fund, insurance and other investment products. Any such changes may reduce the compensation receivable by us from the distribution of third-party products, increase compliance obligations and operating costs, limit product offerings, or otherwise adversely affect our ability to generate fee income from such activities. Any reduction in distribution-related revenues could have a material adverse effect on our non-interest income, profitability, business, financial condition, results of operations and cash flows.

Our Bank is subject to capital adequacy norms and is required to maintain a capital-to-risk asset ratio (“CRAR”) at the minimum level required by the RBI for domestic banks. Any failure to maintain adequate capital due to changes in regulations, a lack of access to capital markets, or otherwise, could materially and adversely affect our business, financial condition and results of operations.

We are subject to regulations relating to the capital adequacy of banks, which determines the CRAR, or the minimum amount of capital we must hold as a percentage of the risk-weighted assets on our portfolio. The RBI requires banks in India to maintain a minimum CRAR of 11.50% (including capital conservation buffer). The RBI Basel III Capital Regulations require, among other things, higher levels of Tier I capital and common equity, capital conservation buffers, maintenance of a minimum prescribed leverage ratio on a quarterly basis, higher deductions from common equity and Tier I capital for investments in subsidiaries and changes in the structure of non-equity instruments eligible for inclusion in Tier I capital. The RBI Basel III Capital Regulations also set out elements of regulatory capital and the scope of the capital adequacy framework, including disclosure requirements of components of capital and risk coverage. In accordance with the RBI Basel III Capital Regulations, our Bank is required to maintain a minimum CET-I capital ratio of 8.00% (including a capital conservation buffer of 2.50%), and a minimum Tier I CRAR of 9.50% (including a capital conservation buffer of 2.50%) of its risk weighted assets. Any incremental capital requirement may adversely impact our ability to grow our business and may even require us to withdraw from, or curtail, some of our current business operations.

Our Bank’s ability to grow its business and execute its strategy is dependent on its level of capitalisation. Any incremental capital requirement may adversely impact our ability to grow our business and may even require us to withdraw from, or curtail, some of our current business operations. There can be no assurance that our Bank will be able to access the capital markets when required, and if our Bank is unable to access capital markets when required it may be compelled to commit its existing capital away from profitable business opportunities. Our Bank may also be compelled to dispose of certain assets and/or take other measures in order to obtain the necessary capital to meet more stringent capital requirements. This would limit our ability to grow our business and would adversely affect our results of operations.

Our Bank is exposed to the risk of the RBI increasing the applicable risk weight for different asset classes from time to time. Although we have implemented and followed a policy of maintaining a minimum capital adequacy ratio as stipulated in the RBI Basel III Capital Regulations issued by the RBI, there can be no assurance that we will be able to maintain this ratio in the future. Implementation of Basel III or other such capital adequacy requirements imposed by RBI may result in the incurrence of substantial compliance and monitoring costs, and any breach of applicable laws and regulations will adversely affect our reputation, business operations and financial conditions. In addition, if the Basel Committee on Banking Supervision (the “**Basel Committee**”) releases additional or more stringent guidance on capital adequacy norms that are given the effect of law in India in the future, we may be required to raise or maintain additional capital in a manner which could materially and adversely affect our business, financial condition and results of operations.

If we fail to meet capital adequacy requirements, the RBI may take certain actions, including restricting our lending and investment activities and our payment of dividends. These actions could materially and adversely affect our reputation, results of operations and financial condition.

Our Bank's securities and derivative financial instruments are subject to market price and liquidity variations due to changes in economic conditions and may produce material losses.

Any realised or unrealised future gains or losses from securities and derivative financial instruments could have a significant effect on our Bank's income. These gains and losses, which our Bank accounts for when it sells or marks to market its investments in financial instruments, can vary considerably from one period to another. Our Bank cannot forecast the quantity of gains or losses in any future period, and the variations experienced from one period to another do not necessarily provide a meaningful forward-looking reference point, particularly in India given the current climate of market volatility. Gains or losses in our Bank's investment portfolio may create volatility in profitability, and our Bank may not earn a return on its consolidated investment portfolio in the future. Any losses on our Bank's securities and derivative financial instruments could adversely affect our Bank. Any decrease in the value of these securities and derivatives portfolios may result in a decrease in our Bank's capital ratios, which could impair its ability to engage in certain activities, such as lending or other financings, at the levels our Bank currently anticipates, and may also adversely affect our Bank's ability to pursue its growth strategies.

We and our Directors may be involved in certain legal and other proceedings, which, if determined against us or our Directors, could have a material, adverse effect on our results of operations.

We are involved in various legal proceedings in the ordinary course of our business. These legal proceedings are pending at different levels of adjudication before various courts, tribunals, statutory and regulatory authorities/ other judicial authorities.

Such matters generally arise from recovery actions against borrowers and guarantors, claims and counterclaims involving customers, depositors, vendors, service providers and other counterparties, employee related matters, regulatory and tax proceedings, disputes relating to leased premises and other commercial arrangements, and proceedings arising in connection with our banking, treasury and other business activities.

Although it is our policy to make provisions for probable loss for litigation matters, we do not make provisions or disclosures in our financial statements where our assessment is that the risk is remote or insignificant. However, our assessment of such matters and the related provisioning requirements may change from time to time. Increased provisioning for such potential losses could have a material, adverse effect on our Bank's results of operations and financial condition. If our Bank's provisioning is inadequate relative to actual losses on final judgment, such additional losses could have a material, adverse effect on our Bank's business.

These legal proceedings may not be decided in our favour and we may incur significant expenses and management time in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If any new developments arise (e.g., rulings against us by the appellate courts or tribunals), we may face losses and may have to make provisions in our financial statements, which could increase our expenses and liabilities.

Any adverse outcome of litigation or regulatory proceedings could have a material, adverse effect on our Bank's business and its future financial performance. Our Bank may also incur legal costs for a matter even if our Bank has not made any legal provisions for the same. In addition, the cost of resolving a legal claim may be substantially higher than any amount reserved for that matter.

The majority of our offices, branches and ATMs are located on premises taken by us on lease or on a leave and license basis. We may not be able to renew these agreements for our branches upon acceptable terms, if at all, which could have an adverse effect on our business and results of operations.

The majority of our offices, branches and ATMs are located on premises taken by us on lease or on a leave and license basis. For some of our branches, the lease deeds have expired and are pending renewal. In case our leases are not renewed or are renewed on unfavourable terms and conditions, we may be forced to procure alternative spaces for our existing branches or incur additional costs

associated with such unfavourable renewals. We may also face the risk of being evicted in the event that our landlords allege a breach on our part of any terms under lease agreements. This may cause a disruption in our operations or result in increased costs, or both, which may materially and adversely affect our business, financial condition and results of operations. Furthermore, some of our lease agreements and leave and license agreements are not adequately stamped or registered with the registering authority of the appropriate jurisdiction. An instrument not duly stamped, or insufficiently stamped, shall not be admitted as evidence in any Indian court or may attract a penalty as prescribed under applicable law, which could adversely affect the continuance of our operations in those premises.

Our Bank is subject to certain restrictive covenants in its financing instruments that restrict, among other things, its ability to declare dividends and pledge assets as collateral.

The financing documents relating to our Bank's outstanding indebtedness contain certain restrictive covenants, such as limitations on dividends and other distributions as well as negative pledge covenants that restrict, in certain circumstances, our Bank's ability to declare dividends and pledge assets as collateral. In addition, certain of these financing documents contain financial covenants requiring our Bank to comply with certain minimum ratios, such as the minimum capital adequacy ratios prescribed by the RBI, certain minimum industry borrower group exposure ratios; and certain minimum net NPA ratios, among others. Further, some of our Bank's borrowing agreements also require our Bank to obtain prior written consent for certain actions such as amendments to constitutional documents or the creation of any security. These restrictions may limit our Bank's ability to react to changes in the Indian economy or the banking industry, take advantage of profitable opportunities and fulfil our Bank's obligations under its other financing documents, which could adversely affect our Bank.

In addition, in the event of a breach of any such restrictive covenant, an event of default may be triggered, which could result in the imposition of contractual penalties and the acceleration of principal and interest. In the past, our Bank has been non-compliant with certain financial covenants contained in its financing documents for which our Bank obtained waivers from the relevant lender institutions. No assurances can be provided that our Bank will continue to be in compliance in the future, or that it will be able to obtain waivers for any future instances of noncompliance.

An event of default could also potentially result in a cross default under our Bank's other debt obligations. In the event of an acceleration of our Bank's outstanding indebtedness, our Bank may be unable to settle the outstanding amounts of its debts, which would adversely affect its business.

Our Bank's risk management policies and procedures may not adequately address unidentified or unanticipated risks, which could negatively affect our business.

Our Bank is exposed to a variety of risks, including liquidity risk, interest rate risk, credit risk, operational risk (including fraud) and legal risk (including actions taken by our Bank's own employees). We have a well-defined risk management governance framework and have devoted significant resources to developing our risk management policies and procedures, and we aim to continue to do so in the future. Despite this, our policies and procedures to identify, monitor and manage risks may not be fully effective. The effectiveness of our risk management is limited by the quality and timeliness of available data and other factors outside of our control. For example, hedging strategies and other risk management techniques may not be fully effective in mitigating risks in all market environments or against all types of risk, including risks that are unidentified or unanticipated. Some methods of managing risks are based upon observed historical market behaviour. As a result, these methods may not predict future risk exposures, which could be greater than the historical measures indicated. Other risk management methods depend upon an evaluation of information regarding markets, customers or other matters. This information may not in all cases be accurate, complete, up-to-date or properly evaluated.

As part of our Bank's ordinary decision-making process, we rely on various models for risk and data analysis. These models are based on historical data and supplemented with managerial input and comments. There are no assurances that these models and the data they analyse are accurate or adequate to guide our Bank's strategic and operational decisions and protect us from risks. Any

deficiencies or inaccuracies in the models or the data might have a material adverse effect on our Bank's business, financial condition and results of operation. Additionally, management of operational, legal or regulatory risk requires, among other things, policies and procedures to ensure certain prohibited actions are not taken and to properly record and verify a number of transactions and events.

Although we believe that we have taken appropriate measures designed to mitigate such deficiencies and have strengthened our internal compliance and risk management policies and procedures, those measures may not be fully effective and our Bank cannot assure you that its current policies and procedures will function adequately in all circumstances. Any lingering or future shortcomings in our Bank's internal compliance and risk management policies and procedures, or a failure to follow them, may have a materially adverse effect on our business, financial condition and results of operations.

We may not be able to detect money laundering and other illegal or improper activities in a comprehensive and timely manner, which could harm our reputation and expose us to liability.

We are required to comply with applicable anti-money laundering and anti-terrorism laws and other regulations in India and other jurisdictions where we have operations. These laws and regulations require us to adopt and enforce certain measures, including "know-your-customer/ anti-money laundering/ combating financing of terrorism" ("KYC/AML/CFT") policies and procedures. These laws and regulations also require us to report suspicious and large transactions to the applicable regulatory authorities in different jurisdictions. Remittances and trade finance transactions are increasingly required to be covered under our scrutiny and monitoring.

We are also required to undertake constant review and assessment of existing control processes and programmes to meet the increased regulatory expectation. We face significant challenges in keeping pace with frequent reviews and rapid upgrading required by such regulatory developments. While we regularly adopt policies and procedures aimed at detecting and preventing the use of our banking networks for money-laundering activities and for use by terrorists and terrorist-related organisations and individuals generally, such policies and procedures may not completely eliminate such instances.

In addition, there may be inconsistencies in the manner in which KYC/AML/CFT policies are implemented at an operational level in each of the branch and other customer interface levels. Our business and reputation could suffer if our banking channels are used for money laundering and other illegal or improper purposes.

While we continue to strengthen our KYC/AML/CFT procedures, to the extent we fail to fully comply with applicable laws and regulations, the relevant governmental and regulatory agencies may impose fines and other penalties and, in certain circumstances, require us to cease operations, which could adversely affect our reputation, business, financial condition and results of operations.

If we are covered by RBI guidelines relating to prompt corrective action, then our business, future financial performance and results of operations could be materially and adversely affected.

The RBI has set out the Prompt Corrective Action ("PCA") framework for commercial banks in the Reserve Bank of India (Commercial Banks – Miscellaneous) Supervisory Directions, 2026, issued on 31 July 2026. The PCA framework has stipulated thresholds for capital ratios, non-performing assets, profitability and leverage for banks. When the PCA framework is triggered, the RBI would have a range of discretionary actions it can take to address the outstanding issues. These discretionary actions include conducting supervisory meetings, conducting reviews, advising banks' boards for altering business strategy, reviewing capital planning, restricting staff expansion, removing managerial persons and superseding the Board, as per the classification of different risk thresholds. If the PCA framework is triggered for our Bank by the RBI, it may materially and adversely affect our business, financial condition and results of operations.

Our intellectual property rights may be subject to infringement or we may breach third-party intellectual property rights.

We are subject to the risk of brand dilution and consequently, possible loss of revenue following the misuse of our brand name by our agents or any third party. We may not be able to protect our intellectual property rights against third-party infringement and unauthorised use of our intellectual property, including by our competitors. Further, a failure to obtain or maintain these registrations may adversely affect our competitive business position. This may in turn affect our brand value, and consequently, our business.

We are involved in certain intellectual property related proceedings and may also be subject to additional claims by third parties, both inside and outside of India, if we breach their intellectual property rights by using slogans, names, designs, software or other such subjects, which are of a similar nature to the intellectual property these third parties may have registered. Any legal proceedings that result in a finding that we have breached third parties' intellectual property rights, as well as any settlements concerning such claims, may require us to provide financial compensation to such third parties or make changes to our marketing strategies or to the brand names of our products, which may have a materially adverse effect on our brand, business, prospects, financial condition and results of operations.

The new ECL norms introduced by the RBI will become effective on 1 April 2027 and may have an impact on the Bank's financial performance.

The Expected Credit Loss ("ECL") framework is expected to be one of the most significant regulatory changes for Indian banks in the coming years, shifting provisioning from an incurred-loss approach to a forward-looking expected-loss approach. The RBI has stated that the framework aims to strengthen resilience, improve credit risk management and enhance comparability of financial statements.

The introduction of ECL norms will result in earlier recognition of credit losses and may therefore lead to higher and more risk-sensitive provisioning requirements, with potential near-term pressure on profitability and capital ratios. However, the framework is expected to strengthen credit risk management, improve resilience across economic cycles, and align Indian banking practices with global regulatory standards. Since this is a new framework introduced by the RBI, the Bank will be able to assess its impact on its business and financial performance only after the norms have been implemented.

RISKS RELATING TO THE NOTES

An active trading market for the Notes may not develop.

The Notes are a new issue of securities for which there is currently no trading market. There can be no assurance as to the liquidity of the Notes or that an active trading market will develop or as to liquidity or sustainability of any such market, the ability of holders to sell their Notes or the price at which holders will be able to sell their Notes. The Notes may be allocated to a limited group of investors, and a limited number of investors may hold a significant proportion of the Notes, in which case liquidity will be restricted and the development of a liquid trading market for the Notes will be affected. If a market does develop, it may not be liquid and the Notes could trade at prices that may be higher or lower than the initial issue price depending on many factors, including prevailing interest rates, the Issuer's operations and the market for similar securities. The Placement Agent is not obligated to make a market in the Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. No assurance can be given as to the liquidity of, or trading market for, the Notes. In addition, the Notes are being offered pursuant to exemptions from registration under the Securities Act and, as a result, investors will only be able to resell their Notes in transactions that have been registered under the Securities Act or in transactions not subject to or exempt from registration under the Securities Act.

The liquidity and price of the Notes following this offering may be volatile.

If an active trading market for the Notes were to develop, the price and trading volume of the Notes may be highly volatile. Factors such as variations in the revenues, earnings and cash flows of the Issuer, proposals of new investments, strategic alliances and/or acquisitions, interest rates and

fluctuations in prices for comparable companies, changes in the industry in which the Issuer operates and competition and general economic conditions could cause the price of the Notes to change. Any such developments may result in large and sudden changes in the volume and price at which the Notes will trade. There can be no assurance that these developments will not occur in the future.

Developments in other markets may adversely affect the market price of the Notes.

The market price of the Notes may be adversely affected by declines in the international financial markets and world economic conditions. The market for the Notes is, to varying degrees, influenced by economic and market conditions in other markets, especially those in India and Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of issuers in other countries, including India. In recent years, the international financial markets have experienced significant volatility. If similar developments occur in the international financial markets in the future, the market price of the Notes could be adversely affected.

The Notes may not be a suitable investment for all investors.

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Information Memorandum;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, or where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Additionally, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities.

The Notes will be unsecured obligations of the Issuer.

The Notes will be unsecured obligations of the Issuer. The repayment of the Notes may be adversely affected if:

- the Issuer enters into bankruptcy, liquidation, reorganisation or other winding-up proceedings;
- there is a default in payment under the Issuer's future secured indebtedness or other unsecured indebtedness; or
- there is an acceleration of any of the Issuer's indebtedness.

If any of these events were to occur, the Issuer's assets may not be sufficient to pay amounts due on the Notes.

If the Issuer is unable to comply with the restrictions and covenants in its debt agreements (if any), or the Notes, there could be a default under the terms of these agreements, or the Notes, which could cause repayment of the debt of the Issuer to be accelerated.

If the Issuer is unable to comply with the restrictions and covenants in the Notes, or current or future debt obligations and other agreements (if any), there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could terminate their commitments to lend to the Issuer, accelerate repayment of the debt, declare all amounts borrowed due and payable or terminate the agreements, as the case may be. Furthermore, those debt agreements may contain cross-acceleration or cross-default provisions. As a result, the default by the Issuer under one debt agreement may cause the acceleration of repayment of debt, including the Notes, or result in a default under its other debt agreements. If any of these events occur, there can be no assurance that there would be sufficient assets and cash flows to repay in full all of the indebtedness of the Issuer, or that it would be able to find alternative financing. Even if the Issuer could obtain alternative financing, there can be no assurance that it would be on terms that are favourable or acceptable to the Issuer.

The Notes will be represented by the Global Certificate and holders of a beneficial interest in the Global Certificate must rely on the procedures of the relevant Clearing System(s).

The Notes will be represented by the Global Certificate which will be deposited with a common depositary for Euroclear and Clearstream (each a “**Clearing System**”). Except in the limited circumstances described in the Global Certificate, investors will not be entitled to receive definitive certificates representing the Notes. The Clearing System(s) will maintain records of the beneficial interests in the Global Certificate. While the Notes are represented by the Global Certificate, investors will be able to trade their beneficial interests only through the Clearing Systems.

While the Notes are represented by the Global Certificate, the Issuer will discharge its payment obligations under the Notes by making payments to the Clearing System for distribution to their account holders. A holder of a beneficial interest in the Global Certificate must rely on the procedures of the Clearing System(s) to receive payments under the Notes. None of the Issuer or the Agents or any of their respective affiliates, directors, employees, agents, representatives, officers or advisers or any person who controls any of them has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

The Issuer may not be able to redeem the Notes upon the due date for redemption thereof.

The Issuer may, on the occurrence of certain events as prescribed in the Conditions, and at maturity will, be required to redeem part or all of the Notes. If such an event were to occur, the Issuer may not have sufficient cash in hand and may not be able to arrange financing to redeem the Notes in time, or on acceptable terms, or at all. The ability to redeem the Notes in such event may also be limited by the terms of other debt instruments. Failure to repay or redeem tendered Notes would constitute an event of default under the Notes, which may also constitute a default under the terms of the Issuer’s other indebtedness.

A change in English law which governs the Notes may adversely affect Noteholders.

The Conditions will be governed by English law. No assurance can be given as to the impact of any possible judicial decision or change in English law or administrative practice after the date of issue of the Notes.

Noteholders should be aware that a definitive certificate which has a principal amount that is not an integral multiple of the minimum specified denomination may be illiquid and difficult to trade.

In relation to any Note which has a principal amount consisting of a minimum specified denomination plus an integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of the minimum specified denomination that are not integral multiples of such minimum specified denomination. In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum specified denomination will not receive

a definitive certificate in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more specified denominations. If definitive Notes are issued, holders should be aware that a definitive certificate which has a principal amount that is not an integral multiple of the minimum specified denomination may be illiquid and difficult to trade.

The Notes may be redeemed by the Issuer prior to maturity.

The Issuer may redeem the Notes at its option, in whole but not in part, at par plus accrued and unpaid interest to (but excluding) the redemption date at any time during the three months prior to the Maturity Date (as defined in the Conditions). The Issuer may also redeem the Notes at its option in whole but not in part, at par plus accrued and unpaid interest, upon the occurrence of certain Indian (or other relevant jurisdiction) withholding tax events that require the Issuer to pay Additional Amounts (as defined in the Conditions), as further described in the Conditions.

If the Issuer redeems the Notes prior to the Maturity Date, investors may not receive the same economic benefits they would have received had they held the Notes to maturity, and they may not be able to reinvest the proceeds they receive in a redemption in similar securities. In addition, the Issuer's ability to redeem the Notes may reduce the market price of the Notes.

The Issuer may issue additional Notes in the future.

The Issuer may, from time to time, and without the consent of the Noteholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects save for the issue date and the first payment of interest on them) or otherwise raise additional capital through such means and in such manner as it may consider necessary. There can be no assurance that such future issuance or capital raising activity will not adversely affect the market price of the Notes.

Changes in market interest rates may adversely affect the value of the Notes.

The Notes will carry a fixed interest rate. Consequently, investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes. If Noteholders sell the Notes they hold before the maturity of such Notes, they may receive an amount less than their investment.

There are certain restrictions under the Banking Regulation Act which may affect or restrict the rights of investors in the Notes.

Under Sections 35A and 36 of the Banking Regulation Act (which apply to the Bank), RBI is empowered to give directions to the Bank, prohibit the Bank from entering into any transactions, and advise the Bank generally. Consequently, the performance of obligations by the Bank under the Notes, the Agency Agreement and the Deed of Covenant may be restricted by the directions or advice given by RBI under the aforesaid provision. Under Section 50 of the Banking Regulation Act (which also applies to the Bank), no person shall have a right, whether in contract or otherwise, to any compensation for any loss incurred by reason of operation of certain provisions of such Act, including Sections 35A and 36 of the Banking Regulation Act.

Therefore, Noteholders may not be able to claim any compensation for a failure by the Bank to perform its obligations under the Notes, the Agency Agreement and the Deed of Covenant, consequent to the operation of the aforesaid provisions.

If we are unable to make payments on the Notes from our IFSC Banking Unit and must make payments from India, including any additional amounts, we may experience delays in obtaining or be unable to obtain the necessary approvals from the RBI.

We are under no legal obligation to maintain liquidity at our IFSC Banking Unit at levels sufficient to make payments on the Notes. If payment under the Notes is requested directly from us in India (whether by reason of a lack of liquidity of our IFSC Banking Unit, as applicable, acceleration, enforcement of a judgment or imposition of any restriction under the law of our IFSC Banking Unit),

and payment thereunder, including any additional amounts, is to be made from India, approval from the RBI will be required for the remittance of funds outside India. Any such approval is within the discretion of the RBI and we can provide no assurance that we would in fact be able to obtain such approval upon our request. In addition, there could be significant delays in obtaining approval from the RBI.

In the event that no approvals are obtained or obtainable for the payment by us of amounts owed and payable by our IFSC Banking Unit through remittances from India, we may have to seek other mechanisms permitted by applicable laws to effect payment of amounts due under the Notes. However, we cannot assure you that other remittance mechanisms permitted by applicable law will be available in the future, and even if they are available in the future, we cannot assure you that the payments due under the Notes would be possible through such mechanisms.

Noteholders' right to receive payments on the Notes is junior to certain tax and other liabilities preferred by law.

The Notes will be subordinated to certain liabilities preferred by law such as claims of the Government of India on account of taxes, and certain liabilities incurred in the ordinary course of the Bank's trading or banking transactions. In particular, in the event of bankruptcy, liquidation or winding up, the Bank's assets will be available to pay obligations on the Notes only after all of those of the Bank's liabilities that rank senior to these Notes have been paid. In the event of bankruptcy, liquidation or winding up, there may not be sufficient assets remaining, after paying amounts relating to these proceedings, to pay amounts due on the Notes.

Noteholders will not be able to initiate insolvency proceedings against the Issuer under Indian laws and will not be able to wind up our Bank in the case of an event of default under the Notes.

The insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016, does not currently apply to banking companies (including the Issuer). Accordingly, Noteholders do not have the ability to initiate corporate insolvency resolution proceedings against our Bank in case of an event of default under the Notes. A banking company in India can be placed under liquidation only in accordance with the Banking Regulation Act, which permits the High Court to order its winding up, *inter alia*, if the banking company is unable to pay its debts and the RBI certifies in writing that the banking company is unable to pay its debts or upon an application by the RBI. Accordingly, in case of an event of default of our Bank under the Notes, the Noteholders' ability to initiate a corporate insolvency process or winding up proceedings in relation to the Bank will be limited.

The Notes do not restrict the Bank's ability to incur additional debt, repurchase the Notes or to take other actions that could negatively impact holders of the Notes.

The Bank is not restricted under the Conditions from incurring additional debt, including secured debt, or from repurchasing the Notes. In addition, the covenants applicable to the Notes do not require the Bank to achieve or maintain any minimum financial results relating to the Bank's financial position or results of operations. The Bank's ability to recapitalise, incur additional debt and take other actions that are not limited by the Conditions of the Notes could diminish the Bank's ability to make payments on the Notes and amortising bonds when due.

If the Bank does not satisfy its obligations under the Notes, Noteholders' remedies will be limited. Payment of principal due under the Notes may be accelerated only in the event of certain events involving the Bank's bankruptcy, winding up or dissolution or similar events or otherwise if certain conditions have been satisfied. See "*Terms and Conditions of the Notes.*"

RISKS RELATING TO INDIA AND OTHER ECONOMIC AND MARKET RISKS

In addition to risks specific to our business, operations, customers, funding profile, technology infrastructure and regulatory environment, we are exposed to external risks that may arise from broader economic, political, legal, market, environmental and systemic developments.

Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operations and cash flows.

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Therefore, any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operations and cash flows. The Indian economy could be adversely affected by various factors, such as pandemics, epidemics, political and regulatory changes, including adverse changes in the Government's liberalisation policies, social disturbances, religious or communal tensions, terrorist attacks and other acts of violence or war, natural calamities, volatility in interest rates, volatility in commodity and energy prices, a loss of investor confidence in other emerging market economies and any worldwide financial instability. In addition, an increase in India's trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy and thereby adversely affect our business, financial condition, results of operations and cash flows.

The occurrence of natural disasters and man-made disasters could adversely affect our business, financial condition, results of operations and cash flows. In addition, terrorist attacks and other acts of violence or war as well as civil unrest or rioting in India could create a perception that investment in Indian companies involves a higher degree of risk, thereby adversely affecting the market price of our equity shares.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, fires, explosions, pandemics and epidemics, and man-made disasters, including acts of terrorism, other acts of violence and war, could adversely affect our business, financial condition, results of operations and cash flows. In addition, terrorist attacks and other acts of violence or war as well as civil unrest or rioting in India could create a perception that investment in Indian companies involves a higher degree of risk, thereby adversely affecting the market price of the Equity Shares.

Increasing regulatory focus on personal information protection could adversely affect our business and expose us to increased liability.

Regulators in various jurisdictions are increasingly scrutinising how companies collect, process, use, store, share and transmit personal data. This increased scrutiny may result in new interpretations of existing laws, thereby further impacting our business.

In India, the Digital Personal Data Protection Act, 2023 ("**Data Protection Act**") has been enacted to regulate the processing of digital personal data and to prescribe obligations for entities processing such data. The Data Protection Act introduced stricter data protection norms for an entity such as ours and may impact our processes. The Data Protection Act is intended to maintain a high level of security and protection for personal data relating to our customers and other individuals. The RBI has also issued a circular dated 6 April 2018 on the storage of payment systems data to ensure that data relating to payment systems operated by payment system providers is stored only in India. Any failure, or perceived failure, by us to comply with any applicable regulatory requirements, including privacy, data protection, information security or consumer protection laws and regulations, could result in proceedings or actions against us by governmental entities or individuals, which may subject us to fines, penalties and/or judgments and adversely affect our business and reputation.

Changing laws, rules and regulations and legal uncertainties, including any adverse application of tax laws and regulations across the multiple states we operate in, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our business and financial condition could be materially adversely affected by changes in the laws, rules, regulations or directions applicable to us and our general and microfinance businesses, or the interpretations of such existing laws, rules and regulations, or the promulgation of new laws, rules and regulations.

The governmental and regulatory bodies may notify new regulations and/ or policies, which may require us to obtain approvals and licences from the government and other regulatory bodies, impose

onerous requirements and conditions on our operations, in addition to those that we are undertaking currently, or change the manner in which we conduct KYC or authenticate our customers. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition, results of operations and cash flows.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations, including foreign investment laws governing our business, operations and investments in our Bank by non-residents, could result in us being deemed to be in contravention of such laws and/ or may require us to apply for additional approvals.

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, turnover tax, goods and service tax, stamp duty and other special taxes and surcharges that are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If the tax costs associated with certain transactions because of a particular tax risk materialising are greater than anticipated, it could affect the profitability of such transactions.

The Government introduced (a) the Code on Wages, 2019 (“**Wages Code**”); (b) the Code on Social Security, 2020 (“**Social Security Code**”); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020, which consolidate, subsume and replace numerous existing central labour legislations. We are yet to determine the impact of all or some such laws on our business and operations, which may restrict our ability to grow our business in the future. For example, the Social Security Code aims to provide uniformity in providing social security benefits to employees, which were previously segregated under different acts and had different applicability and coverage. The Social Security Code has introduced the concept of workers outside traditional employer-employee work-arrangements (including online and digital platforms), such as ‘gig workers’ and ‘platform workers’ and provides for the mandatory registration of such workers in order to enable these workers to avail benefits of, among others, life and disability cover, health and maternity benefits and old age protection, under schemes framed under the Social Security Code from time to time. The Social Security Code also provides that such schemes may, among other things, be partly funded by contributions from online platforms. Further, the Wages Code limits the amounts that may be excluded from being accounted toward employment benefits (such as gratuity and maternity benefits) to a maximum of 50% of the wages payable to employees. The implementation of such laws has the ability to increase our employee and labour costs, thereby adversely affecting our results of operations and cash flows.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and investments in our Bank by non-residents, could result in us being deemed to be in contravention of such laws and/ or may require us to apply for additional approvals.

We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time-consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

Financial difficulty and other problems in certain long-term lending institutions and investment institutions in India could have a negative effect on our business, financial condition, results of operations and cash flows and the trading price of the Equity Shares could decrease.

As an Indian bank, we are exposed to the risks of the Indian financial system, which may be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions, such as clearing agencies, banks, securities firms and exchanges, may be closely related as a result of credit, trading, clearing or other relationships. Our transactions with these financial institutions expose us to credit risk in the event of default by the counterparty, which can be exacerbated during periods of market illiquidity. As the Indian financial system operates within an emerging market, we face risks of a nature and extent not typically faced in more developed economies, including the risk of deposit runs, notwithstanding the existence of a national deposit insurance scheme. The problems faced by individual Indian financial institutions and any instability in, or difficulties faced by, the Indian financial system generally could create adverse market perception about Indian financial institutions and banks in general and specific categories of financial institutions. This in turn could adversely affect our business, financial condition, results of operations, cash flows and the trading price of the Equity Shares.

Our ability to borrow in foreign currencies is restricted by Indian law.

Indian banks and companies are subject to foreign exchange regulations that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our ability to borrow in foreign currencies and, therefore, could negatively affect our ability to obtain financing on competitive terms. In addition, we cannot assure you that any required approvals for borrowing in foreign currency will be granted to us without onerous conditions, or at all. Such, and other, limitations on raising foreign capital may adversely affect our business, results of operations, financial condition and cash flows.

A downgrade in India's sovereign debt rating by international rating agencies may adversely affect our debt ratings and the terms on which we are able to raise additional borrowings or refinance any existing borrowings.

India's sovereign debt rating could be downgraded due to several factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, all of which are outside our control. Any adverse changes to India's sovereign debt rating by international rating agencies may adversely affect our debt ratings and the terms on which we are able to raise additional borrowings or refinance any existing borrowings, which may have an adverse effect on our business, financial condition, results of operations and cash flows.

Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and International Financial Reporting Standards (IFRS), which investors may be more familiar with and may consider material to their assessment of our financial condition.

Our financial statements are prepared and presented in conformity with Indian GAAP. No attempt has been made to reconcile any of the information given in this document to any other principles or to base it on any other standards. Indian GAAP differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar.

It may not be possible for investors to enforce any judgment obtained outside India against us, the Directors or the Key Managerial Personnel in India respectively, except by way of a lawsuit in India on such judgment.

Our Bank is incorporated under the laws of India, all of our assets are located in India, and the majority of our directors and all key managerial personnel are residents of India. Therefore, you may be unable to effect service of process in jurisdictions outside India upon our Bank or enforce judgments in Indian courts that were obtained in courts of jurisdictions outside India against our Bank, including judgments predicated upon the civil liability provisions of securities laws of jurisdictions outside India or such directors and senior management under laws other than Indian laws.

In addition, India is not a party or signatory to any multilateral international treaty in relation to the recognition or enforcement of foreign judgments. Recognition and enforcement of foreign judgments is provided for under Section 13, Section 14 and Section 44A of the Code of Civil Procedure, 1908 (the “Civil Code”), on a statutory basis. Section 13 of the Civil Code provides that a foreign judgment is conclusive as to any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim to litigate under the same title, except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where the judgment appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases where such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law in force in India. A foreign judgment which is conclusive under Section 13 of the Civil Code may be enforced either by a fresh suit upon judgment or by proceedings in execution.

Under Section 14 of the Civil Code, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. Such a presumption may be displaced by proving want of jurisdiction.

Section 44A of the Civil Code provides that, where a foreign judgment has been rendered by a superior court in any country or territory outside India which the Government of India has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. Section 44A of the Civil Code is applicable only to decrees or judgments under which a sum of money is payable not being in the nature of amounts payable in respect of taxes or other charges of a similar nature or in respect of fines or other penalties and does not include arbitration awards, even if such awards are enforceable as a decree or a judgment. The enforcement of a foreign decree under Section 44A of the Civil Code is also subject to the exceptions of Section 13 of the Civil Code as discussed above. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if it viewed the amount of damages awarded as excessive or inconsistent with public policy or practice in India or if enforcement of such foreign judgments would contravene or violate Indian law.

The United Kingdom, Singapore and Hong Kong (among others) have been declared by the Government of India to be reciprocating territories for the purposes of section 44A and the high courts in England as the relevant superior courts. However, the United States has not been declared by the Government of India to be a reciprocating territory for the purposes of section 44A of the civil code. Accordingly, a judgment of a superior court in the United Kingdom may be enforceable by proceedings in execution, and a judgment not of a superior court, by a fresh suit resulting in a judgment or order. A judgment of a court in a country which has not been declared as a reciprocating territory, including that of a court in the United States, may be enforced in India only by a fresh suit upon the judgment and not by proceedings in execution. A suit for enforcement of a foreign judgment is required to be filed in India within 3 years from the date of the judgment. It is difficult to predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to untimely delay.

A party seeking to enforce a foreign judgment in India is also required to obtain prior approval from the RBI to repatriate outside India any amount recovered pursuant to such enforcement, and any such amount may be subject to income tax in accordance with applicable laws. Any judgment awarding damages in a foreign currency is required to be converted into Indian rupees on the date the award becomes enforceable and not on the date of payment.

Further, there are considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment against Indian companies, entities, their directors and executive officers and any other parties who are residents of India. Additionally, there is no assurance that a suit brought in an Indian court in relation to a foreign

judgment will be disposed of in a timely manner. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the Indian Foreign Exchange Management Act, 1999, to execute such a judgment or to repatriate any amount recovered.

Climate change and climate-related risks could adversely affect our business, financial condition, results of operations, capital position, reputation and cash flows.

Climate change presents both physical risks and transition risks that may adversely affect our Bank, our customers and the markets in which we operate. Physical risks arising from acute weather events such as floods, cyclones, heatwaves, droughts, landslides and other extreme weather events, as well as longer-term changes in climate patterns, may affect economic activity, disrupt business operations, impair collateral values and reduce the repayment capacity of borrowers in certain geographies and sectors.

Our lending portfolio includes exposures to retail, agriculture, MSME and corporate customers whose businesses and incomes may be directly or indirectly affected by climate-related events. Adverse climatic conditions, including deficient rainfall, droughts, floods, unseasonal weather patterns and other climate-related disruptions, may lead to higher delinquencies, increased non-performing assets, elevated credit costs and higher provisioning requirements. Climate-related events may also affect property values and the recoverability of collateral securing our loan portfolio.

In addition, increasing regulatory, market and stakeholder focus on climate change could result in enhanced prudential expectations, disclosure requirements, stress testing obligations and risk management standards applicable to banks. The introduction of new climate-related regulations, carbon pricing mechanisms, environmental standards or transition policies could adversely affect certain sectors, industries and borrowers to which we have lending or investment exposure. Any inability to appropriately identify, assess, monitor and manage climate-related risks could adversely affect our business, financial condition, results of operations, capital position and reputation.

Further, climate-related events may disrupt the Bank's operations, technology infrastructure, branch network, data centres, outsourced service providers and critical third-party vendors. Such events could increase operating costs, insurance costs and capital expenditure requirements and may materially and adversely affect our business, financial condition, results of operations and cash flows.

If global or regional hostilities, terrorist attacks, or social unrest in India or elsewhere increase, our business and the price of the Notes could be adversely affected.

India has from time to time experienced hostilities both internally and with neighbouring countries. There have been military confrontations between India and Pakistan, and border disputes with neighbouring countries, including China. We cannot predict how such geopolitical events will develop in the future and how they may impact our business, operations, reputation and financial condition.

India has also experienced terrorist attacks in some parts of the country, including in Mumbai, where our headquarters are located. Global trade disputes and tariffs and other protectionist measures and countermeasures could impact trade and capital flows and negatively affect the Indian economy, which could adversely affect our business. In addition, geopolitical events in the Middle East, Asia and Europe or terrorist or military action in other parts of the world, may impact prices of key commodities, financial markets and trade and capital flows, including by leading to restrictions on countries which are among India's significant trading partners. These factors and any political or economic instability in India could adversely affect our business, our financial performance and the price of the Notes.

TERMS AND CONDITIONS OF THE NOTES

The following, subject to modification and other than the words in italics, is the text of the Terms and Conditions of the Notes which will appear on the reverse of each of the definitive Certificates representing the Notes:

The U.S.\$350,000,000 aggregate principal amount of 5.800% Notes due 2031 (the “**Notes**,” which expression includes any further Notes issued pursuant to Condition 13 (*Further Issues*) and forming a single series therewith) of IDFC FIRST Bank Limited, acting through its IFSC Banking Unit (the “**Issuer**”), are constituted by a deed of covenant dated 28 August 2026 (as amended or supplemented from time to time, the “**Deed of Covenant**”) entered into by the Issuer and are the subject of a fiscal agency agreement dated 28 August 2026 (as amended or supplemented from time to time, the “**Agency Agreement**”) between the Issuer, GLAS Trust Company LLC as registrar (the “**Registrar**,” which expression includes any successor registrar appointed from time to time in connection with the Notes), as principal paying agent (the “**Principal Paying Agent**,” which expression includes any successor principal paying agent appointed from time to time in connection with the Notes) and as fiscal agent (the “**Fiscal Agent**,” which expression includes any successor fiscal agent appointed from time to time in connection with the Notes), the transfer agents named therein (the “**Transfer Agents**,” which expression includes any successor or additional transfer agents appointed from time to time in connection with the Notes) and the paying agents named therein (together with the Principal Paying Agent and the Fiscal Agent, the “**Paying Agents**,” which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes). References herein to the “**Agents**” are to the Registrar, the Fiscal Agent, the Transfer Agents and the Paying Agents and any reference to an “**Agent**” is to any one of them. Certain provisions of these Conditions are summaries of the Agency Agreement and the Deed of Covenant and subject to their detailed provisions. The Noteholders (as defined below) have the benefit of the Deed of Covenant and are deemed to have notice of all the provisions of the Agency Agreement and the Deed of Covenant applicable to them. Copies of the Agency Agreement and the Deed of Covenant are available for inspection (i) electronically to a requesting Noteholder or (ii) during normal business hours (being between 9:00 a.m. and 3:00 p.m., from Monday to Friday (excluding public holidays)) at the Specified Offices (as defined in the Agency Agreement) of each of the Agents following prior written request and proof of holding and identity to the satisfaction of the relevant Agent, the initial Specified Offices of which are set out below. All capitalised terms that are not defined in these terms and conditions (these “**Conditions**”) will have the meanings given to them in the Agency Agreement.

1 Form, Denomination and Status

- (a) *Form and denomination:* The Notes are in registered form in the denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof (each, an “**Authorized Denomination**”).
- (b) *Status:* The Notes constitute direct, unconditional, unsubordinated and subject to the provisions of Condition 3 (*Negative Pledge*) unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations) of the Issuer from time to time outstanding.

*Upon issue, the Notes will be represented by a global certificate (the “**Global Certificate**”) registered in the name of a nominee of, and deposited with, a common depositary for Euroclear Bank SA/NV (the “**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”).*

The Conditions are modified by certain provisions contained in the Global Certificate.

Except in the limited circumstances described in the Global Certificate, owners of interests in Notes represented by the Global Certificate will not be entitled to receive definitive Certificates in respect of their individual holdings of Notes. The Notes are not issuable in bearer form.

2 Register, Title and Transfers

- (a) *Register*: The Registrar will maintain a register (the “**Register**”) in respect of the Notes in accordance with the provisions of the Agency Agreement. In these Conditions, the “**Holder**” of a Note means the person in whose name such Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and “**Noteholder**” shall be construed accordingly. A certificate (each, a “**Certificate**”) will be issued to each Noteholder in respect of its registered holding. Each Certificate will be numbered serially with an identifying number which will be recorded in the Register.
- (b) *Title*: The Holder of each Note shall (except as otherwise required by law) be treated as the absolute owner of such Note for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft of such Certificate) and no person shall be liable for so treating such Holder. No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.
- (c) *Transfers*: Subject to paragraphs (f) (*Closed periods*) and (g) (*Regulations concerning transfers and registration*) below, a Note may be transferred upon surrender of the relevant Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; provided, however, that a Note may not be transferred unless the principal amount of Notes transferred and (where not all of the Notes held by a Holder are being transferred) the principal amount of the balance of Notes not transferred are Authorized Denominations. Where not all the Notes represented by the surrendered Certificate are the subject of the transfer, a new Certificate in respect of the balance of the Notes will be issued to the transferor.

Transfers of interests in the Notes represented by the Global Certificate will be effected in accordance with the rules and procedures of the relevant clearing systems.

- (d) *Registration and delivery of Certificates*: Within five business days of the surrender of a Certificate in accordance with paragraph (c) (*Transfers*) above, the Registrar will register the transfer in question and deliver a new Certificate of a like principal amount to the Notes transferred to each relevant Holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder. In this paragraph, “**business day**” means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.
- (e) *No charge*: The transfer of a Note will be effected without charge by or on behalf of the Issuer, the Registrar or any Transfer Agent but against such indemnity and/or prefunding and/or security as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.
- (f) *Closed periods*: Noteholders may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Notes.
- (g) *Regulations concerning transfers and registration*: All transfers of Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar. A copy of the current regulations will

be made available electronically during normal business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time), from Monday to Friday (excluding public holidays)) to any Noteholder who so requests following prior written request and proof of holding and identity to the satisfaction of the Registrar.

3 Negative Pledge

- (a) *Negative Pledge*: So long as any of the Notes remains outstanding, the Issuer will not, without:

- (i) the approval of an Extraordinary Resolution; or
- (ii) at the same time or prior thereto securing the Notes equally and rateably therewith,

create or permit to be outstanding any Encumbrance upon the whole or any part of its properties, assets or revenues to secure External Obligations.

- (b) *Interpretation*: For the purposes of these Conditions:

“Encumbrance” means any mortgage, charge, pledge, hypothecation, lien, encumbrance or other security interest securing any obligation of any person or any other agreement or arrangement having the effect of conferring security;

“External Obligations” means all obligations, including guarantees, of the Issuer in respect of bonds, debentures, notes or other debt securities which by their terms (i) are payable in a currency other than Indian Rupees or are denominated in India Rupees and more than 50 per cent of the aggregate principal amount of which is initially distributed outside the Republic of India (**“India”**) by or with the authorisation of the Issuer; and (ii) which are quoted, listed or ordinarily dealt in on any stock exchange or over-the-counter or other securities market outside India; and

“Extraordinary Resolution” means a resolution passed at a meeting of Noteholders (whether originally convened or resumed following an adjournment) duly convened and held in accordance with Schedule 6 (*Provisions for Meetings of the Noteholders*) of the Agency Agreement.

- (c) *Meaning of “outstanding”*: For the purposes of these Conditions, a Note shall be considered to be **“outstanding”** unless one or more of the following events has occurred:

- (i) it has been redeemed in full, or purchased under Condition 5(e) (*Redemption and Purchase — Purchase*), and in either case has been cancelled in accordance with Condition 5(f) (*Redemption and Purchase — Cancellation*);
- (ii) the due date for its redemption in full has occurred and all sums due in respect of such Note (including all accrued interest) have been received by the Fiscal Agent and remain available for payment against presentation and surrender of the relevant Certificate; or
- (iii) all claims for principal and interest in respect of such Note have become void under Condition 9 (*Prescription*).

provided, however, that for the purposes of (i) ascertaining the right to attend and vote at any meeting of Noteholders and (ii) Condition 12 (*Meetings of Noteholders; Modifications*) and Schedule 6 (*Provisions for Meetings of the Noteholders*) to the Agency Agreement, those Notes (if any) which are for the time being held by any person (including but not limited to the Issuer or any subsidiary) for the benefit of the Issuer or any subsidiary shall (unless and until ceasing to be so held) be deemed not to remain outstanding.

4 Interest

- (a) The Notes bear interest from 28 August 2026 (the “**Issue Date**”) at the rate of 5.800% per annum (the “**Rate of Interest**”), payable semi-annually in arrear on 28 February and 28 August in each year (each, an “**Interest Payment Date**”), commencing 28 February 2027, subject as provided in Condition 6 (*Payments*). Each Note will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused or unless a default is otherwise made in respect of payment, in which case it will continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (b) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (b) If interest is required to be paid in respect of a Note on any other date, it shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest cent (half a cent being rounded upwards) and multiplying such rounded figure by a number equal to the Authorized Denomination of such Note divided by the Calculation Amount, where “**Calculation Amount**” means U.S.\$1,000 and “**Day Count Fraction**” means, in respect of any period, the number of days in the relevant period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 months of 30 days each), and in the case of an incomplete month, the number of days elapsed.

For so long as the Notes are represented by a Global Certificate and the Global Certificate is held on behalf of Euroclear and Clearstream, or any other clearing system, the interest payable in respect of the Notes shall be calculated on the aggregate principal amount of the Notes represented by the Global Certificate.

5 Redemption and Purchase

- (a) *Scheduled redemption:* Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on 28 August 2031 (the “**Maturity Date**”), subject as provided in Condition 6 (*Payments*).
- (b) *Redemption for tax reasons:* At any time prior to the Maturity Date, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on giving not less than 30 nor more than 60 days’ notice to the Fiscal Agent, the Paying Agent and, in accordance with Condition 14 (*Notices*), the Noteholders (which notice shall be irrevocable) if:
 - (i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 (*Taxation*) as a result of any change in, or amendment to, the laws, regulations or rulings of India or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after 24 August 2026, or the expiry, non-extension, non-renewal, revocation, or withdrawal (whether in whole or in part) of any tax exemption, tax concession, tax holiday, or other tax benefit available to the Issuer (including, without limitation, any tax benefit available by virtue of the Issuer being established or located in an International Financial Services Centre or otherwise available in respect of the Notes); and
 - (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this paragraph (b), the Issuer shall deliver to the Fiscal Agent (A) a certificate signed by an authorized officer of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and (B) an opinion of independent legal advisors of recognized standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment or withdrawal. Notes redeemed pursuant to this paragraph (b) will be redeemed at 100% of their principal amount together with interest accrued to (but excluding) the date of redemption.

- (c) *Redemption at the option of the Issuer (Par Call)*: The Issuer may, at its option, on giving not less than 30 nor more than 60 days' notice to the Fiscal Agent, the Paying Agent and, in accordance with Condition 14 (*Notices*), the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes on the relevant date fixed for redemption), redeem the Notes in whole, but not in part, at any time on or after 28 May 2031 to (but excluding) the Maturity Date, at 100% of their principal amount, together with interest accrued to (but excluding) the date fixed for redemption.
- (d) *No other redemption*: The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) (*Scheduled redemption*), (b) (*Redemption for tax reasons*) and (c) (*Redemption at the option of the Issuer (Par Call)*) above.
- (e) *Purchase*: The Issuer or any of its subsidiaries may at any time purchase Notes in the open market or otherwise and at any price.
- (f) *Cancellation*: All Notes so redeemed or purchased by the Issuer or any of its subsidiaries shall be cancelled and may not be reissued or resold.
- (g) *Redemption Notice*: All notices to Noteholders given by or on behalf of the Issuer pursuant to this Condition will be given in accordance with Condition 14, the applicable redemption amount, together with the interest (if any) accrued but unpaid, the date for redemption, the manner in which redemption will be effected and the aggregate principal amount of the Notes outstanding as at the latest practicable date prior to the publication of such notice. The Agents shall not be responsible for calculating or verifying any calculations of any amounts payable under these Conditions and will not be responsible to any Noteholder for any loss arising from any failure by it to do so.

6 Payments

- (a) *Principal*: Payments of principal shall be made in U.S. dollar by wire transfer to the person shown on the Register at the close of business on the fifth day before the due date for any such payment, to a U.S. dollar account maintained by the payee with, a bank and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Certificates at the Specified Office of any Paying Agent.
- (b) *Interest*: Payments of interest shall be made in U.S. dollar by wire transfer to the person shown on the Register at the close of business on the fifth day before the due date for any such payment, by transfer to a U.S. dollar account maintained by the payee with, a bank and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Certificates at the Specified Office of any Paying Agent.

Notwithstanding the foregoing, so long as the Global Certificate is held on behalf of Euroclear, Clearstream or any other clearing system, each payment in respect of the Global Certificate will be made to the person shown as the Holder in the Register at the close of business of the relevant clearing system on the Clearing System Business Day before the due date for such payments, where “Clearing System Business Day” means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.

- (c) *Payments subject to fiscal laws:* All payments in respect of the Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 7 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement). No commissions or expenses shall be charged to the Noteholders in respect of such payments.
- (d) *Payments on business days:* Where payment is to be made by transfer to a U.S. dollar account, payment instructions (for value the due date, or, if the due date is not a business day, for value the next succeeding business day) will be initiated on the business day preceding the due date for payment or, in the case of payments of principal and premium (if any) where the relevant Certificate is required to be but has not been surrendered at the Specified Office of any Transfer Agent or of the Registrar, on the first business day on which the Fiscal Agent is open for business and on or following which the relevant Certificate is surrendered. A Holder of a Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from the due date for a payment not being a business day. In this paragraph, “**business day**” means any day on which banks are open for general business (including dealings in foreign currencies) in New York City, London and Mumbai and, in the case of surrender (or, in the case of part payment only, endorsement) of a Certificate, in the place in which the Certificate is surrendered (or, as the case may be, endorsed).
- (e) *Partial payments:* If a Paying Agent makes a partial payment in respect of any Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Certificate.
- (f) *Record date:* Each payment in respect of a Note will be made to the person shown as the Holder in the Register at the opening of business in the place of the Registrar’s Specified Office on the fifth day before the due date for such payment (the “**Record Date**”).

7 **Taxation**

- (a) *Payment without withholding:* All payments of principal and interest in respect of the Notes by or on behalf of the Issuer will be made free and clear of, and without withholding or deduction for or on account of any present or future taxes, assessments or other governmental charges or duties of whatever nature imposed, levied, collected, withheld or assessed by or within, or on behalf of India or any political subdivision or any authority thereof or therein having power to tax (collectively, “**Taxes**”), unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the Noteholders after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in

respect of the Notes in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note:

- (i) to, or to a third party on behalf of, a holder who is liable or subject to such taxes, duties, assessments or governmental charges in respect of such Note by reason of his having some connection with the jurisdiction imposing such tax, duty, assessment or governmental charge, other than the mere holding or deemed holding of such Note; or
- (ii) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office;

Any reference in these Conditions to principal or interest shall be deemed to include any additional amounts in respect of principal or interest (as the case may be) which may be payable under this Condition 7.

If the Issuer becomes subject at any time to any taxing jurisdiction other than India, references in these Conditions to India shall be construed as references to India and/or such other jurisdiction.

Except as specifically provided in these Conditions, the Issuer will not be required to make any payment with respect to any tax, duty, assessment or other governmental charge imposed by any government or any political subdivision or taxing authority.

For purposes of this Condition 7:

“**Relevant Date**” means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by a Paying Agent or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14.

None of the Agents in any event shall be responsible for paying any tax, duty, charges, assessments, government charges, withholding or other payment referred to in this Condition 7 or otherwise in connection with the Notes or for determining whether such amounts are payable or the amount thereof, and none of them shall be responsible or liable for any failure by the Issuer, any Noteholder or any other party to pay such tax, duty, charges, assessments, government charges, withholding or other payment in any jurisdiction or be responsible to provide any notice or information in relation to the Notes in connection with payment of such tax, duty, charges, assessments, government charges, withholding or other payment imposed by or in any jurisdiction, including without limitation any notice or information that would permit, enable or facilitate the payment of any principal, premium (if any), interest or other amount under or in respect of the Notes without deduction or withholding for or on account of any tax, duty, charges, assessments, government charges, withholding or other payment imposed by or in any jurisdiction.

8 Events of Default

If any of the following events (each, an “**Event of Default**”) shall occur:

- (a) a default is made in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of 14 days in the case of interest; or

- (b) the Issuer fails to perform or observe any of its other obligations under the Notes or the Deed of Covenant and the failure continues for a period of 30 days; or
- (c) (i) any other present or future Indebtedness for Borrowed Money of the Issuer becomes capable of being declared due and payable prior to its stated maturity otherwise than at the option of the Issuer, or (ii) any such Indebtedness for Borrowed Money is not paid when due or, as the case may be, within any applicable grace period, or (iii) the Issuer fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any Indebtedness for Borrowed Money other than in circumstances where (A) the Issuer is contesting in good faith in appropriate proceedings the fact that any such amount is due or (B) the Issuer is prohibited from making payment of any such amount by the order of a court having appropriate jurisdiction, provided that the aggregate amount outstanding of the relevant Indebtedness for Borrowed Money or amounts payable under the guarantees and/or indemnities in respect of one or more events mentioned above in this paragraph (c) exceed U.S.\$20,000,000 or its equivalent in other currencies on the basis of the middle spot rate for the relevant currency against the U.S. dollar as quoted by an independent bank of international repute in New York City on the day on which this paragraph operates; or
- (d) any order of a court of competent jurisdiction is made for the winding up (as determined pursuant to the (Indian) Companies Act, 2013, and/or the Banking Regulation Act, 1949 (“**BR Act**”), each as amended) or liquidation of the Issuer save for the purposes of reorganisation on terms previously approved in writing by the Noteholders by an Extraordinary Resolution; or
- (e) the Issuer ceases or threatens to cease to carry on the whole or substantially all of its business save for the purposes of reorganisation on terms previously approved in writing by the Noteholders by an Extraordinary Resolution or the Issuer stops or threatens to stop or suspend payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due; or
- (f) the Issuer (or its directors) initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, the Issuer’s creditors generally or any meeting is convened to consider a proposal for an arrangement or composition with the Issuer’s creditors generally; or
- (g) a moratorium is agreed or declared by the Issuer in respect of any Indebtedness for Borrowed Money (including any obligation arising under any guarantee) of the Issuer; or
- (h) it becomes unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Notes or the Deed of Covenant; or
- (i) the Issuer is or becomes entitled or subject to or is declared by law or otherwise to be protected by, immunity (sovereign or otherwise) and Condition 16(g) (*Waiver of immunity*) is held to be invalid or unenforceable; or
- (j) if proceedings are initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer, as the case may be, in relation to the whole or any part of the undertaking or assets of the Issuer or an encumbrancer takes possession of the whole or any part of the undertaking or assets of the Issuer, or a distress, attachment, execution or other legal process is levied or enforced upon or against any material part of the property, assets or revenues of the Issuer and is not either discharged or stayed within 60 days (or such later period as Noteholders holding not less than one quarter

of the aggregate principal amount of the outstanding Notes may agree in light of the jurisdiction concerned) unless, and for so long as, Noteholders holding not less than one quarter of the aggregate principal amount of the outstanding Notes are satisfied that such levy or enforcement is being contested in good faith and by appropriate proceedings,

then Noteholders holding not less than one quarter of the aggregate principal amount of the outstanding Notes may, by written notice addressed to the Issuer and delivered to the Issuer, declare the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their principal amount, together with accrued interest, without further action or formality. Notice of any such declaration shall promptly be given to all other Noteholders by the Issuer in accordance with Condition 14 (*Notices*).

For the purposes of this Condition 8:

“Indebtedness for Borrowed Money” means (i) any indebtedness (whether being principal, premium, interest or other amounts) for or in respect of any notes, bonds, debentures, debenture stock, loan stock or other debt securities or (ii) any liability in the nature of a borrowing or (iii) any liability under or in respect of any acceptance or acceptance credit.

9 Prescription

Claims in respect of amounts due in respect of the Notes shall become void unless made within ten years in the case of principal and five years in the case of interest from the appropriate Relevant Date.

10 Replacement of Certificates

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Registrar upon prior written request, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

11 Agents

In acting under the Agency Agreement and in connection with the Notes, the Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency, fiduciary or trust for or with any of the Noteholders.

The initial Agents and their initial Specified Offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor registrar, fiscal agent and additional or successor paying agents and transfer agents; *provided, however*, that the Issuer shall at all times maintain (a) a fiscal agent and a registrar and (b) such other agents as may be required by any stock exchange on which the Notes may be listed.

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders.

None of the Agents shall be responsible for the performance by the Issuer or any other person appointed by the Issuer in relation to the Notes of the duties and obligations on their part expressed in respect of the same and, unless it has written notice from the Issuer to the contrary, the Agent shall assume that the same are being duly performed. None of the Agents shall be liable to any Noteholder or any other person for any action taken by the Agents or such Agent in accordance with the instructions of the Noteholders. The Agents shall be entitled to rely on any direction, request or resolution of Noteholders given by holders of the requisite principal amount of Notes outstanding or passed at a meeting of Noteholders convened and held in accordance with the Conditions. None of the Agents shall be under any obligation to

ascertain whether any Event of Default has occurred or monitor compliance by the Issuer with the provisions of the Agency Agreement or these Conditions and shall not be liable to any person for any loss arising from any breach by that party or any such event.

12 Meetings of Noteholders; Modifications

- (a) *Meetings of Noteholders:* The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and shall be convened by the Issuer upon the request in writing of Noteholders holding not less than one tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, one or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented; *provided, however*, that certain proposals (including any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of payments under the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution (each, a “**Reserved Matter**”)) may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more persons holding or representing not less than two thirds or, at any adjourned meeting, one third of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders, whether present or not.

In addition, a resolution (i) in writing signed by or on behalf of Noteholders holding at least 75% of the outstanding principal amount of the Notes who for the time being are entitled to receive notice of a meeting of Noteholders, or (ii) passed by Electronic Consent, in each case will take effect as if it were an Extraordinary Resolution. A resolution passed in writing as aforesaid and/or passed by Electronic Consent will be binding on all Noteholders whether or not they participated in such resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

For the purposes of these Conditions and the Agency Agreement:

“**Electronic Consent**” means, where the terms of the proposed resolution have been notified to the Noteholders through the relevant clearing system(s), approval of such resolution proposed by the Issuer or the Fiscal Agent (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes outstanding.

“**Extraordinary Resolution**” means a resolution proposed and passed (a) at a meeting duly convened and held in accordance with the Agency Agreement by a majority of at least 75% of the votes cast; (b) by a Written Resolution; or (c) by an Electronic Consent.

“**Written Resolution**” means a written resolution signed by the holders of not less than 75% of the aggregate principal amount of the Notes outstanding.

- (b) *Modification:* The Notes, these Conditions and the Deed of Covenant may be amended without the consent of the Noteholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the

Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

13 Further Issues

The Issuer may from time to time, without the consent of the Noteholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes.

14 Notices

Notices to the Noteholders will be sent to them at their respective addresses on the Register by first class mail (or its equivalent) or (if posted to an overseas address) by airmail or published in a leading newspaper having general circulation in Singapore or, if such publication is not practicable, in an English language newspaper having general circulation in Asia. Any such notice shall be deemed to have been given on the fourth day after the date of mailing or, in the case of publication, on the date of such publication or, if published more than once, on the first date on which it was published.

So long as the Notes are represented by the Global Certificate and the Global Certificate is held in its entirety on behalf of Euroclear and Clearstream, any notice to the Noteholders shall be validly given by the delivery of the relevant notice to Euroclear and Clearstream for communication by the relevant clearing system to entitled accountholders in substitution for notification as required by these Conditions and shall be deemed to have been given on the date of delivery to such clearing system.

15 Currency Indemnity

If any sum due from the Issuer in respect of the Notes or any order or judgment given or made in relation thereto has to be converted from the currency (the “**first currency**”) in which the same is payable under these Conditions or such order or judgment into another currency (the “**second currency**”) for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

16 Governing Law and Jurisdiction

- (a) *Governing law:* The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by, and shall be construed in accordance with, English law.
- (b) *English courts:* The courts of England have exclusive jurisdiction to settle any disputes arising from or in connection with the Notes (including any dispute relating to any non-contractual obligations arising out of or in connection with the Notes) (a “**Dispute**”).

- (c) *Appropriate forum:* The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- (d) *Service of process:* The Issuer agrees that the documents which start any proceedings relating to a Dispute (“**Proceedings**”) and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to the Issuer at Cogency Global (UK) Limited, 6 Lloyds Avenue, Unit 4CL, London EC3N 3AX. Nothing in this paragraph (e) shall affect the right of any Noteholder to serve process in any other manner permitted by law. This Condition 16 applies to Proceedings in England and to Proceedings elsewhere.
- (e) *Consent to enforcement, etc.:* The Issuer consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings, including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which is made or given in such Proceedings, provided that nothing in this paragraph shall prejudice, restrict or override any rights, protections, restrictions or measures arising under applicable banking, insolvency, resolution, regulatory or supervisory laws, including any action, moratorium, reconstruction, amalgamation, transfer, resolution or other measure implemented by the Reserve Bank of India, IFSCA or any other competent governmental or regulatory authority.
- (f) *Waiver of immunity:* To the extent that the Issuer may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or its assets or revenues, the Issuer agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

17 **Contracts (Rights of Third Parties) Act 1999**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term or condition of the Notes except to the extent (if any) that the terms or conditions of the Notes expressly provide for such Act to apply to any of its terms or conditions.

USE OF PROCEEDS

The Issuer intends to use the net proceeds from the offering, after deducting commission and other estimated expenses payable in connection with the offering, for general corporate purposes.

DESCRIPTION OF THE BANK

This section should be read together with the section titled “Risk Factors” for a discussion of certain factors that may affect the Bank’s business, financial condition or results of operations.

The manner in which some of the operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other banks in India and other jurisdictions. The Bank’s fiscal year ends on 31 March of each year, so all references to a particular fiscal year are to the twelve-month period ended 31 March of that year.

Our fiscal year commences on 1 April and ends on 31 March of the subsequent year, and references to a particular Fiscal are to the 12 months ended 31 March of that year. Unless otherwise specified or as the context requires, financial information herein for Fiscals 2024, 2025 and 2026 is derived from the Audited Standalone Financial Statements, and financial information included herein for the three months ended 30 June 2025 and 30 June 2026 is from the Unaudited Condensed Standalone Interim Financial Statements. Our Bank’s management primarily utilises our Bank’s standalone financial information to monitor the operational strength and performance of our Bank’s business and hence, the following information is based on our Bank’s standalone financial information.

Overview

Our Bank offers a wide spread of banking products to meet the needs of our retail customers in the Micro, Small and Medium Enterprises (“MSME”) and consumer sectors in both urban and rural geographies, as well as our wholesale customers, such as large corporates and non-banking financial companies (“NBFCs”). Our Bank provides banking products and services to consumers and entrepreneurs across India, with an emphasis on technology-enabled delivery.

Our Bank’s principal business activities consist of retail banking, wholesale banking and treasury operations. We deliver a wide range of banking products and services to our customers through a variety of channels, including bank branches, ATMs, call centres, internet and mobile phones. As at 31 March 2026, our Bank has more than 39 million customers and a network of 1,147 branches, 289 asset servicing branches, 694 business correspondent branches and 1,050 ATMs.

We provide a range of retail banking products, including loans, deposit products and credit cards, and we distribute mutual funds, insurance products and other third-party investment products. Our Bank’s retail loans include home loans, vehicle loans (including two-wheeler and used car loans), consumer durable loans, personal loans, education loans, gold loans, tractor and rural finance loans, micro-enterprise loans, small business loans, loan against property, Joint Liability Group loans and commercial vehicle loans. Our Bank’s credit card portfolio includes the Ashva, FIRST Private, FIRST Wealth, FIRST Millennia, FIRST EA₹N RuPay, FIRST WOW! (against fixed deposits), as well as the FIRST Business corporate credit card for start-ups and MSMEs. Our Bank’s principal retail deposit products include savings accounts, current accounts, fixed deposits and recurring deposits.

In wholesale banking, we offer corporate customers a range of financing products and services, including project financing, corporate deposit products and transaction banking services, such as cash management and escrow services. We provide business loans and working capital loans for large corporates, emerging large corporates, NBFCs and financial institutions. Our corporate deposit products include “World Business Account”, “Freedom Current Account”, “Enterprise Current Account” and “Startup Current Account”.

Our treasury operations primarily consist of our Bank’s investment portfolio, money market borrowing and lending, investment operations and foreign exchange and derivative portfolio, and also manage and maintain our regulatory reserve requirements. We provide our customers with foreign exchange, cross-border SWIFT, correspondent banking, and derivative transaction services, as well as investment management and distribution solutions for the purchase of mutual funds, government bonds and STRIPS, sovereign gold bonds, life and general insurance, credit shield, health insurance and alternative investment-linked insurance.

We are constantly working to develop new technology and improve the digital aspects of our business. We have developed a mobile banking app, IDFC FIRST Bank Mobile Banking which serves as a one-stop platform offering numerous services, including funds transfer, account opening, loan application and application for investment products. We provide watch banking to our customers, allowing them the ease and convenience of accessing their bank accounts on their smart watches. We also provide SMS and WhatsApp banking to allow our customers to, amongst others, enquire about their account balances and make request for cheque books and access real-time query resolution and business reports. In addition, our Bank uses underwriting platforms and automated credit scorecards driven by artificial intelligence and machine learning to provide almost instant decisions at the point of sale for retail products, such as consumer durable loans and two-wheeler loans. Such automated credit scorecards go through numerous iterations and rigorous testing, encompassing various facets of the retail applicant's background, including credit history, fraud probability, and demographic parameters. Our Bank uses advanced analytical capabilities and scorecards to screen for eligible customers for up-selling and cross-selling of loans and we have deployed digital lending platforms such as "FIRST Money" (a fully digital lending solution with zero foreclosure charges), the "MyFirst Partner" DSA app and QR-based instant approvals to enhance credit decisioning and disbursal speed across key retail segments. Our Bank also leverages Digital Public Infrastructure, including Account Aggregator frameworks, for real-time auto-disbursal and digital contact point verification, and uses AI-driven collections to improve resolution rates and maintain asset quality.

As at 30 June 2026, our Bank has a 100.00% shareholding in IDFC FIRST Bharat Limited, a wholly-owned Subsidiary operating as a business correspondent of the Bank, a 29.31% shareholding in Millennium City Expressways Private Limited, an Associate whose primary business is in the construction of highways and expressways, and a 26.00% shareholding in Jetpur Somnath Tollways Private Limited, an Associate which became an associate of the Bank on 1 October 2024.

The table below sets forth certain of our Bank's standalone key operating and financial performance parameters, as at and for the periods indicated below.

	As at and for the years ended March 31,			As at and for the three months ended June 30,	
	2024	2025	2026	2025	2026
	(₹ in crores, except %)				
Net interest income ⁽¹⁾	16,451	19,292	21,215	4,933	5,972
Operating profit ⁽²⁾	6,237	7,415	7,211	2,239	2,553
Net profit/(loss)	2,957	1,525	1,636	463	1,075
Average yield ⁽³⁾	12.25%	12.04%	11.30%	11.55%	11.31%
Average cost of funds ⁽⁴⁾	6.38%	6.48%	6.19%	6.42%	5.96%
Spread ⁽⁵⁾	5.87%	5.55%	5.12%	5.13%	5.35%
Net interest margin ⁽⁶⁾	6.36%	6.09%	5.75%	5.71%	5.96%
Return on average equity ⁽⁷⁾	10.30%	4.27%	3.76%	4.83%	8.98%
Return on average assets ⁽⁸⁾	1.15%	0.49%	0.44%	0.54%	1.06%
Tier I capital adequacy ratio.....	13.36%	13.17%	13.73%	12.80%	13.33%
Tier II capital adequacy ratio	2.75%	2.31%	1.87%	2.22%	1.72%
Total capital adequacy ratio	16.11%	15.48%	15.60%	15.01%	15.05%
Net NPAs ⁽⁹⁾	1,160	1,230	1,346	1,346	1,286
Net NPAs ratio ⁽¹⁰⁾	0.60%	0.53%	0.48%	0.55%	0.44%

Provisioning coverage ratio ⁽¹¹⁾	68.79%	72.26%	70.46%	72.35%	71.48%
CASA ratio ⁽¹²⁾	47.25%	46.91%	49.80%	47.99%	50.82%
Funded Assets ⁽¹³⁾					
.....	200,965	241,926	290,278	253,233	305,370
Total deposits	200,576	252,065	294,475	264,971	311,892

Notes:

- (1) Net interest income is interest earned on Assets minus interest expended on liabilities.
- (2) Operating profit is profit before provisions and contingencies.
- (3) Average yield is computed on average interest earning assets.
- (4) Cost of funds is interest expended divided by average borrowings and deposits.
- (5) Spread is the difference between Average Yield and Average Cost of Funds.
- (6) Net interest margin is the difference of interest earned and interest expended divided by average interest-earning assets.
- (7) Return on average equity is the ratio of the net profit after tax to the average net worth (capital plus reserves).
- (8) Return on average assets is the ratio of the net profit after tax to the average assets.
- (9) Net NPAs reflect the Bank's gross NPAs less provisions for NPAs.
- (10) Net NPAs ratio is the ratio of net NPAs divided by net advances.
- (11) Provisioning coverage ratio comprises of NPA provisions as percentage to gross NPAs.
- (12) Ratio of current account deposits and savings account deposits to total deposits (including inter-bank deposits).
- (13) Funded assets include Credit Substitutes.

About Our Bank

Our Bank was formed as a result of the amalgamation of erstwhile Capital First Limited, erstwhile Capital First Home Finance Limited and erstwhile Capital First Securities Limited with IDFC Bank Limited ("IDFC Bank"), pursuant to a scheme of amalgamation under sections 230 to 232 of the Companies Act, 2013 and approved by the National Company Law Tribunal, Chennai and the National Company Law Tribunal, Mumbai, effective 18 December 2018, with the appointed date as at 1 October 2018 (the "Amalgamation"). The amalgamated entity was renamed to IDFC FIRST Bank Limited and a certificate of incorporation dated 12 January 2019, was issued by the Registrar of Companies, Chennai, pursuant to approval from shareholders and the Central Government - Ministry of Corporate Affairs.

IDFC Bank was created by a demerger of the infrastructure lending business of IDFC Limited to IDFC Bank on 1 October 2015. IDFC Limited was set up in 1997 to finance infrastructure projects, focusing primarily on project finance and mobilisation of capital for private sector infrastructure development. IDFC Bank previously launched its corporate banking, treasury solutions, retail and rural business banking products. As part of IDFC Bank's strategy to diversify its loan book, it was looking for a merger with a retail finance institution with adequate scale, profitability and specialised skills in the banking industry.

The erstwhile Capital First Limited was founded in 2012 through a private equity-backed leveraged buyout of an existing NBFC, which was concluded by the Chairman and Managing Director of the erstwhile Capital First Limited, Mr. V. Vaidyanathan. Capital First Limited's business was targeted at financing MSMEs and Indian consumers using an analytics-driven technology platform. Capital First Limited was on the lookout for a commercial banking licence in order to access stable and low-cost deposits.

About Our Bank's IFSC Banking Unit

Our Bank operates an International Financial Services Centre (IFSC) Banking Unit (the “**IBU**”) at GIFT City IFSC. GIFT City hosts India's first IFSC and provides a globally competitive regulatory framework regulated by the IFSCA. Upon receiving the requisite licence from IFSCA on 1 November 2023, our Bank's IBU began operations on 12 April 2024 and functions as an offshore branch of the Bank, transacting in foreign currency.

The IBU offers a suite of products across three segments: (i) treasury products, including external commercial borrowings, money market lending and borrowing and banker's acceptances; (ii) trade finance products, including buyer's credit and receivables-arrangement financing; and (iii) retail offerings, including NRI savings and term deposits. During Fiscal 2026, our Bank has also introduced a Global Savings Account for non-resident Indian customers through the IBU, permitting deposits in major foreign currencies and full repatriation of principal and interest, and has stated its intention to expand the IBU's product suite further.

TAXATION

The following is a summary of the principal existing Indian tax consequences for investors who are not tax residents in India (“non-resident investors”) subscribing to the Notes issued by the Issuer. The summary is based on existing Indian taxation law and practice in force at the date of this Information Memorandum and is subject to change, possibly with retrospective effect. The information provided below does not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to purchase Notes. In particular, the information does not consider any specific facts or circumstances that may apply to a particular purchaser. Neither these statements nor any other statements in this Information Memorandum are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing in the Notes or on any tax implications arising from the acquisition, sale or other dealings in the Notes. The statements do not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities) may be subject to special rules.

Prospective purchasers of the Notes are advised to consult their own tax advisors as to the tax consequences of the purchase, ownership and disposition of the Notes, including the effect of any state or local taxes, under the tax laws of India and in the country of which they are residents. Additionally, in view of the number of different jurisdictions where local laws may apply, this Information Memorandum does not generally discuss the local tax consequences to a potential holder, purchaser or seller arising from the acquisition, holding or disposition of the Notes in their country of residence and in the countries of which they are citizens or countries in which they purchase, hold or dispose of the Notes. Prospective purchasers must, therefore, inform themselves as to any tax laws and regulations in force relating to the subscription, holding or disposition of the Notes in their country of residence and in the countries of which they are citizens or countries in which they purchase, hold or dispose of the Notes.

Payments made through India

Any payments made on the Notes by the Issuer through India, including additional amounts, are subject to applicable regulations of the RBI. Further, only if the proceeds of the issuance of the Notes are to be used for purposes of the business carried on by the Issuer in India or for purposes of making or earning any income from any source in India, non-resident investors would be liable to pay tax on the interest paid on the Notes.

Taxation of Interest

As of the date of this Information Memorandum, generally, non-resident investors may be liable to pay income tax at a rate of 20% under Section 207(1) [Table: Sl. No. 3] of the (Indian) Income-tax Act, 2025 (“**Income Tax Act**”) (plus applicable surcharge and health and education cess) on interest paid or payable on the Notes through India subject to and in accordance with the existing conditions contained in the Income Tax Act and any benefits available under applicable tax treaty.

However, non-resident investors may not be liable to pay any income tax on interest paid on the Notes issued by the Issuer acting through its IBU in accordance with the exemption available under Section 11 read with Schedule VI [Table: Sl. No. 12] of the Income Tax Act.

Withholding of taxes on interest

If interest payable on the Notes is subject to tax in India, there may be a requirement to withhold tax at the rate of 20% (plus applicable surcharge and health and education cess) on interest payments made on Notes through India subject to and in accordance with the existing conditions contained in the Income Tax Act.

Generally, there may not be a requirement to withhold tax on interest payments made to non-resident investors on Notes issued through the IBU.

Taxation of Deemed Income

As a measure to prevent laundering of unaccounted income, the Income Tax Act provides that any person receiving certain specified assets (including the Notes) at a price less than their fair market value, shall be subject to income tax in India on the benefit accruing to him. Tax shall be payable at the rates applicable for the regular income. However, it may be noted that this provision would not be applicable if the asset is received from a relative or under a will or by way of inheritance or any other specific instances provided under Section 92(2)(m) of the Income Tax Act.

In the instant case, in case a non-resident investor receives Notes under the above mechanism, the taxability of the same shall also be subject to the provisions of the applicable tax treaty, assuming the Noteholder is entitled to claim benefits of the tax treaty.

Taxation of gains arising on disposal

Any gains arising to a non-resident investor from disposal of the Notes held (or deemed to be held) as a capital asset will generally be chargeable to income tax in India if the Notes are regarded as property situated in India. A non-resident investor will generally not be chargeable to income tax in India from a disposition of the Notes held as a capital asset provided that the Notes are regarded as being situated outside India. The issue as to where the Notes should properly be regarded as being situated is not free from doubt. The ultimate decision, however, will depend upon the view taken by the Indian tax authorities on the position with respect to the situs of the rights being offered in respect of the Notes. There is a possibility that the Indian tax authorities may treat the Notes as being situated in India as the Issuer is incorporated in and resident in India.

If a non-resident investor earns any capital gains chargeable to tax in India, the Income Tax Act requires that such tax shall be withheld by the person making any payment to such non-resident investor at the rate of 12.5% (plus applicable surcharge and health and education cess) if the Notes are held for a period of more than 24 months. Furthermore, tax at the rate of up to 35% (plus, applicable surcharge and health and education cess), shall be withheld depending on the legal status of the recipient of income, on short term capital gains. If the Notes are treated as unlisted bonds under Section 76 of the Income Tax Act, the profits from the transfer, redemption, or maturity of the Notes will be treated as short-term capital gains. These rates are subject to any lower rate of tax provided under the relevant tax treaty, if and to the extent applicable. The tax payable shall be computed in such manner as prescribed in this regard under the Income Tax Act. For the purpose of tax withholding, and/or claiming the benefit of relevant tax treaty, the non-resident investor shall be obliged to provide all necessary information and documents.

Potential Investors should, in any event, consult their own tax advisors regarding the tax consequences of transfer of the Notes.

Wealth Tax

No wealth tax is payable at present in relation to the Notes in India.

Estate Duty

No estate duty is payable at present in relation to the Notes in India. There are no inheritance taxes or succession duties currently imposed in respect of the Notes held outside India.

Gift Tax

No gift tax is payable at present in relation to the Notes held outside India.

Stamp Duty

A transfer of Notes outside India should not generally give rise to any Indian stamp duty liability unless the Notes are brought into India. In the event that Notes are brought into India for enforcement or for any other purpose, the same will attract stamp duty as payable in the relevant state. This stamp

duty will have to be paid within a period of three months from the date the Notes are first received in India.

GENERAL INFORMATION

Clearing Systems: The Notes have been accepted for clearance through Euroclear and Clearstream under Common Code 348671740 and ISIN XS3486717401.

Authorisations: The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of its obligations under the Notes, the Agency Agreement and the Deed of Covenant. The issue of the Notes was authorised by resolutions of the board of directors of the Issuer dated 25 July 2026.

Litigation: Save as disclosed in this Information Memorandum, the Issuer is not involved in any legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer is aware) which may have or have had in the 12 months preceding the date of this document a significant effect on the financial position of the Issuer.

Available Documents: So long as any of the Notes is outstanding, (a) copies of the following documents will be available for inspection from the Issue Date at all reasonable times during usual business hours (being between 9:00 a.m. and 3:00 p.m.) at the registered office of the Issuer and (b) in the case of the Agency Agreement and the Deed of Covenant mentioned below, copies of the same will be available electronically from the Principal Paying Agent following prior written request and provision of proof of holding and identity to the satisfaction of the Principal Paying Agent:

- the articles of association of the Issuer;
- the Agency Agreement; and
- the Deed of Covenant

LEI: The legal entity identifier number of the Issuer is 335800SBNAPYVT1D2K13.

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