



ADDENDUM TO THE SHELF PLACEMENT MEMORANDUM

HDB FINANCIAL SERVICES LIMITED (the “**Company**”) has issued secured, rated, listed, redeemable non-convertible debentures aggregating upto Rs. 52,44,00,00,000 (Rupees Five Thousand Two Hundred Forty-Four Crore Only) as per the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (hereinafter referred to as the “**Debentures**”), on a private placement basis to be issued in one or more tranches/series, in terms of the Shelf Placement Memorandum dated November 14, 2022 (“**Shelf Placement Memorandum**”). The aggregate amount of Rs. 52,44,00,00,000 (Rupees Five Thousand Two Hundred Forty-Four Crore Only) under the Shelf Placement Memorandum shall form a part of the overall limit set out under the debenture trust deed being Rs. 1,00,00,00,00,000 (Rupees Ten Thousand Crore Only) dated November 23, 2021 (“**Debenture Trust Deed**”).

In this regard, the Company had uploaded the Shelf Placement Memorandum on the BSE EBP Platform *inter alia* setting out the broad terms on which the Debentures are proposed to be issued. Capitalised terms used herein but not defined shall have the same meaning accorded to such terms in the Shelf Placement Memorandum.

Pursuant to paragraph 5 of the SEBI circular dated October 28, 2022, (bearing reference no. SEBI/HO/DDHS/P/CIR/2022/00144), an issuer which has issued listed non-convertible securities under a shelf placement memorandum, which shelf placement memorandum is valid as on January 01, 2023, has an option to issue an addendum to the shelf placement memorandum to keep the face value of the debentures at Rs. 10,00,000 (Rupees Ten lakhs) or Rs. 1,00,000 (Rupees One lakh). In light of the aforesaid SEBI circular, the SEBI circular dated October 10, 2022 (bearing reference no. SEBI/HO/DDHS_Div1/P/CIR/2022/00139) and the SEBI circular dated November 30, 2022 (bearing reference no. SEBI/HO/DDHS_Div1/P/CIR/2022/167) and in light of the Shelf Placement Memorandum being valid as on January 01, 2023, certain terms of the Shelf Placement Memorandum stand modified as follows:

- (a) The paragraph preceding Section A on page 1 of the Shelf Placement Memorandum shall be deleted in its entirety and replaced with the following:

“SHELF PLACEMENT MEMORANDUM FOR ISSUE OF SECURED, RATED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES AGGREGATING UP TO RS. 52,44,00,00,000/- (RUPEES FIVE THOUSAND TWO HUNDRED FORTY-FOUR CRORE ONLY)¹ (THE “DEBENTURES”² or “NCDs”), ON PRIVATE PLACEMENT BASIS TO BE ISSUED IN ONE OR MORE TRANCHES/SERIES (THE “ISSUE”)³”

1 The aggregate Issue amount of Rs. 52,44,00,00,000 (Rupees Five Thousand Two Hundred Forty-Four Crore Only) under this Shelf Placement Memorandum shall form a part of the overall limit set out under the Debenture Trust Deed being Rs. 1,00,00,00,00,000 (Rupees Ten Thousand Crore Only) (“Overall Limit”).

2 Debentures / NCDs shall mean secured, listed, rated, redeemable non-convertible debentures being issued by the Company under this Shelf Placement Memorandum which Debentures shall form part of the Overall Limit set out under the Debenture Trust Deed.

3 Issue shall form a part of issuance of Debentures by the Issuer under the Debenture Trust Deed (up to the limits available under Debenture Trust Deed as on date of this Shelf Placement

Memorandum, being Rs. 52,44,00,00,000 (Rupees Five Thousand Two Hundred Forty-Four Crore Only)). Provided however that the aggregate amount raised under this Issue shall not at any time exceed Rs. 52,44,00,00,000 (Rupees Five Thousand Two Hundred Forty-Four Crore Only).

- (b) Under Section A of the Shelf Placement Memorandum, the paragraph immediately preceding the paragraph on “Issue Schedule”, shall be deleted in its entirety and replaced with the following:

“The issue does not form part of non-equity regulatory capital mentioned under Chapter V (Issuance and Listing of perpetual debt instruments, perpetual non-cumulative preference shares and similar instruments) of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021. The face value of each Debenture issued on private placement basis under this Shelf Placement Memorandum shall be as per the relevant Tranche Placement Memorandum.”

- (c) Under Section A of the Shelf Placement Memorandum, the paragraph on “Issue Highlights” immediately succeeding the paragraph on “Eligible Investors” and immediately preceding the paragraph on “Electronic Book Mechanism and Details Pertaining To The Uploading The Placement Memorandum On The Electronic Book Provider Platform”, shall be deleted in its entirety and replaced with the following:

Coupon Rate	As per the Tranche Placement Memorandum
Coupon Payment Frequency	As per the Tranche Placement Memorandum
Redemption Date	As per the Tranche Placement Memorandum
Redemption Amount	As per the Tranche Placement Memorandum
Details of Debenture Trustee	IDBI Trusteeship Services Limited. Please refer to Annexure VI for terms and conditions of the details of appointment of the Debenture Trustee
Nature and Issue Size	Secured, rated, listed, redeemable Non-Convertible Debentures, aggregating up to Rs. Rs.52,44,00,00,000/- (Rupees Five Thousand Two Hundred Forty-Four Crore Only) to be issued in one or more Tranche/Series.
Base Issue and Green Shoe Option	As per the Tranche Placement Memorandum
Shelf/ Tranche Size	Shelf Size: Secured, rated, listed, redeemable Non-Convertible Debentures, aggregating up to Rs. 52,44,00,00,000/- (Rupees Five Thousand Two Hundred Forty-Four Crore Only) Tranche Size: Please refer to the relevant Tranche Placement Memorandum
Details about Underwriting of the Issue including the Amount Undertaken to be Underwritten by the Underwriters.	As per the Tranche Placement Memorandum
*For further details on the terms of the Issue, please also refer the Section on ‘Summary Term Sheet’	

- (d) Under Section N (*Summary Term Sheet*) of the Shelf Placement Memorandum, the paragraph on “*Face Value*”, immediately succeeding the paragraph on “*Rollover Option*” and immediately preceding the paragraph on “*Minimum Application and in multiples of _ Debt securities thereafter*”, shall be deleted in its entirety and replaced with the following:

<i>Face Value</i>	<i>As per the relevant Tranche Placement Memorandum</i>
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- (e) Under Section N (*Summary Term Sheet*) of the Shelf Placement Memorandum, the paragraph on “*Minimum Application and in multiples of __ Debt securities thereafter*”, immediately succeeding the paragraph on “*Face Value*” and immediately preceding the paragraph on “*Issue Timing*”, shall be deleted in its entirety and replaced with the following:

<i>Minimum Application and in multiples of __ Debt securities thereafter</i>	<i>As per the relevant Tranche Placement Memorandum</i>
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- (f) Under Section N (*Summary Term Sheet*) of the Shelf Placement Memorandum, the paragraph on “*Minimum Bid Lot*”, immediately succeeding the paragraph on “*Manner of Allotment*” and immediately preceding the paragraph on “*Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s), details of security to be created and process of due diligence carried out by the debenture trustee*”, shall be deleted in its entirety and replaced with the following:

<i>Minimum Bid Lot</i>	<i>Rs.1,00,00,000 (Rupees One Crore Only) and in the Multiples as per the relevant Tranche Placement Memorandum.</i>
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- (g) The paragraph under Part A of Annexure VII (*Disclosure Prescribed Under PAS-4 Of Companies (Prospectus and Allotment of Securities), Rules, 2014*) of the Shelf Placement Memorandum immediately preceding the paragraph on “*Disclaimer*” shall be deleted in its entirety and replaced with the following:

“Private Placement of Secured, Rated, Listed, Redeemable Non-Convertible Debentures for cash aggregating upto Rs. 52,44,00,00,000/- (Rupees Five Thousand Two Hundred Forty-Four Crore only) to be issued in one more Tranches/ Series from time to time.”

ISSUE OPENING DATE	ISSUE CLOSING DATE	PAY-IN DATE	DEEMED DATE OF ALLOTMENT
<i>As per the Tranche Placement Memorandum</i>			

- (h) Under Part A of Annexure VII (*Disclosure Prescribed Under PAS-4 Of Companies (Prospectus And Allotment Of Securities), Rules, 2014*), the paragraph on “*Kind of securities offered and class of security, the total number of shares or other securities to be issued*”, immediately succeeding the paragraph on “*Date of passing of resolution in general meeting, authorizing the offer of securities*” and immediately preceding the paragraph on “*Price at which the security is being offered, including premium if any, along with justification of the price*”, shall be deleted in its entirety and replaced with the following:

<i>Kind of securities offered and class of security, the total number of shares or other securities to be issued;</i>	<i>Rated, Listed, Secured, Redeemable Non-Convertible Debentures aggregating up to Rs. 5,244,00,00,000/- (Rupees Five Thousand Two Hundred Forty Four Crore Only) to be issued in one or more Tranche/Series.</i>
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- (i) Under Part A of Annexure VII (*Disclosure Prescribed Under PAS-4 Of Companies (Prospectus And Allotment Of Securities), Rules, 2014*), the paragraph on “*Amount, which the Company intends to raise by way of securities*”, immediately succeeding the paragraph on “*The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer*” and immediately preceding the paragraph on “*Terms of raising of securities*”, shall be deleted in its entirety and replaced with the following:

<i>Amount, which the Company intends to raise by way of securities</i>	<i>Rated, Listed, Secured, Redeemable Non-Convertible Debentures aggregating up to Rs. 52,44,00,00,000/- (Rupees Five Thousand Two Hundred Forty Four Crore Only) to be issued in one or more Tranche/Series.</i>
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- (j) Under Part V (*Financial Position of the Company*) under Part A of Annexure VII (*Disclosure Prescribed Under PAS-4 Of Companies (Prospectus And Allotment Of Securities), Rules, 2014*) the paragraph on “*Size of the Present Offer*”, immediately succeeding the paragraph on “*The capital structure of the company in the following manner in a tabular form: The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)*” and immediately preceding the paragraph on “*Paid-up Capital: (a) After the offer; (b) After the conversion of Convertible Instruments (if applicable)*”, shall be deleted in its entirety and replaced with the following:

<i>Size of the Present Offer</i>	<i>Rated, Listed, Secured, Redeemable Non-Convertible Debentures aggregating up to Rs. 52,44,00,00,000/- (Rupees s Five Thousand Four Hundred Forty Four Crore Only) in one or more Tranches/ Series.</i>
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- (k) The paragraph on page 159 under Annexure X (*Format of Tranche Placement Memorandum*) of the Shelf Placement Memorandum immediately succeeding “*Type of Placement Memorandum: Private Placement*” shall be deleted in its entirety and replaced with the following:

“Private Placement of upto [●] ([●]) Secured, Rated, Listed, Redeemable Non-Convertible Debentures (“Tranche [●] Debentures”) of the face value of Rs. [●]/- (Rupees [●] only) each for cash aggregating upto Rs. [●]/- (Rupees [●] Crore only) issued under the Shelf Placement Memorandum dated [●] as amended / supplemented from time to time.”

- (l) Under Annexure X (*Format of Tranche Placement Memorandum*) of the Shelf Placement Memorandum, the paragraph immediately preceding the paragraph on “*Credit Rating*”, shall be deleted in its entirety and replaced with the following:

“The Issue does not form part of non-equity regulatory capital mentioned under Chapter V (Issuance and Listing of perpetual debt instruments, perpetual non-cumulative preference shares and similar instruments) of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021. The face value of each Debenture issued on private placement basis under this Shelf Placement Memorandum shall be as per the relevant Tranche Placement Memorandum.”

- (m) Under Section III (*Summary Term Sheet for Tranche [●] Debentures*) of Annexure X (*Format of Tranche Placement Memorandum*) the paragraph on “*Face Value*”, immediately succeeding the paragraph on “*Rollover Option*” and immediately preceding the paragraph on “*Minimum Application and in multiples of _ Debt securities thereafter*”, shall be deleted in its entirety and replaced with the following:

<i>Face Value</i>	[●]
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- (n) Under Section III (*Summary Term Sheet for Tranche [●] Debentures*) of Annexure X (*Format of Tranche Placement Memorandum*) the paragraph on “*Minimum Application and in multiples of _ Debt securities thereafter*”, immediately succeeding the paragraph on “*Face Value*” and immediately preceding the paragraph on “*Issue Timing*”, shall be deleted in its entirety and replaced with the following:

<i>Minimum Application and in multiples of _ Debt securities thereafter</i>	[●]
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- (o) Under Section III (*Summary Term Sheet for Tranche [●] Debentures*) of Annexure X (*Format of Tranche Placement Memorandum*) of the Shelf Placement Memorandum, the paragraph on “*Minimum Bid Lot*”, immediately succeeding the paragraph on “*Manner of Allotment*” and immediately preceding the paragraph on “*Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s), details of security to be created and process of due diligence carried out by the debenture trustee*”, shall be deleted in its entirety and replaced with the following:

<i>Minimum Bid Lot</i>	<i>Rs.1,00,00,000 (Rupees One Crore Only) and in the Multiples of [●] thereafter.</i>
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- (p) Under the section on “*Illustration of Cashflows*” of Annexure X (*Format of Tranche Placement Memorandum*) the paragraph on “*Face Value (per security)*” immediately succeeding “the paragraph on “*Name of the Issuer*” and immediately preceding the paragraph on “*Deemed Date of Allotment*”, shall be deleted in its entirety and replaced with the following:

<i>Face Value (per security)</i>	[●]
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- (q) Under Section A of the Shelf Placement Memorandum, the paragraph on “*Electronic Book Mechanism and Details Pertaining to The Uploading The Placement Memorandum On The Electronic Book Provider Platform*” immediately succeeding the paragraph on “*Issue Highlights*” and immediately preceding the paragraph on “*Application Process*”, shall be deleted in its entirety and replaced with the following:

The Issue shall be open for bidding and subscribed to in accordance with the guidelines issued by SEBI and BSE pertaining to the procedure of Electronic Book Mechanism set out in the terms specified by the Operational Circular, and the related operational guidelines issued by the concerned Electronic Book Provider, as may be amended, clarified or updated from time to time (collectively, “Electronic Book Mechanism Guidelines”).

Details of size of the issue and green shoe portion, if any	<i>Secured, rated, listed, redeemable Non-Convertible Debentures, aggregating up to Rs. Rs.52,44,00,00,000/- (Rupees Five Thousand Two Hundred Forty-Four Crore Only) to be issued in one or more Tranche/Series.</i>
Interest Rate Parameter	<i>As per the Tranche Placement Memorandum</i>
Bid opening and closing date	<i>As per the Tranche Placement Memorandum</i>
Mode of bidding:	<i>As per the Tranche Placement Memorandum</i>
Manner of Allotment:	<i>As per the Tranche Placement Memorandum</i>
Allotment Size	<i>The minimum allotment of Debentures shall be Rs.1,00,00,000/- (Rupees One Crore Only).</i>
Manner of Settlement:	<i>As per the process prescribed by the Electronic Book Mechanism Guidelines</i>
Minimum Bid Lot and Multiple of Single Bid:	<i>Rs. 1,00,00,000/- (Rupees One Crore Only) and in multiples as per the Tranche Placement Memorandum</i>
Trading Lot Size	<i>As per the Tranche Placement Memorandum</i>
Settlement Cycle [T+1/ T+2] where T refers to the date of bidding/ issue day	<i>As per the Tranche Placement Memorandum</i>

- (r) Under Section N (*Summary Term Sheet*) of the Shelf Placement Memorandum, the paragraph on “*Listing*”, immediately succeeding the paragraph on “*Eligible Investors*” and immediately preceding the paragraph on “*Rating of the Instrument*”, shall be deleted in its entirety and replaced with the following:

Listing	<i>The Debentures are proposed to be listed on the Wholesale Debt Market (WDM) Segment of the BSE Ltd within the timelines permitted under Applicable Law including such timelines as prescribed under SEBI Circular dated November 30, 2022 (bearing reference no. SEBI/HO/DDHS_Div1/P/CIR/2022/167).</i> <i>In accordance with the SEBI Debt Listing Regulations, in case of a delay</i>
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	<i>by the Company in listing the Debentures beyond such timelines as permitted under Applicable Law including the timelines as prescribed under SEBI Circular dated November 30, 2022 (bearing reference no. SEBI/HO/DDHS_Div1/P/CIR/2022/167, the Company shall make payment to the Debenture Holders of 1% (One Percent) per annum over the Coupon Rate from the Deemed Date of Allotment till the listing of such Debentures.</i>
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- (s) Under Section III (*Summary Term Sheet for Tranche [●] Debentures*) of Annexure X (*Format of Tranche Placement Memorandum*) of the Shelf Placement Memorandum, the paragraph on “*Listing*”, immediately succeeding the paragraph on “*Details of Guarantor (if any)*” and immediately preceding the paragraph on “*Rating of the Instrument*”, shall be deleted in its entirety and replaced with the following:

<i>Listing</i>	<p><i>The Tranche [●] Debentures are proposed to be listed on the Wholesale Debt Market (WDM) Segment of the BSE Ltd the timelines permitted under Applicable Law including such timelines as prescribed under SEBI Circular dated November 30, 2022 (bearing reference no. SEBI/HO/DDHS_Div1/P/CIR/2022/167).</i></p> <p><i>In accordance with the SEBI Debt Listing Regulations, in case of a delay by the Company in listing the Tranche [●] Debentures beyond such timelines as permitted under Applicable Law including the timelines as prescribed under SEBI Circular dated November 30, 2022 (bearing reference no. SEBI/HO/DDHS_Div1/P/CIR/2022/167), the Company shall (i) make payment to the Debenture Holders of 1% (One Percent) per annum over the Coupon Rate from the Deemed Date of Allotment till the listing of such Tranche [●] Debentures.</i></p>
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- (t) Under Section III (*Summary Term Sheet for Tranche [●] Debentures*) of Annexure X (*Format of Tranche Placement Memorandum*) of the Shelf Placement Memorandum, the paragraph on “*Interest Rate Parameter*”, shall be inserted immediately succeeding the paragraph on “*Due Diligence Certificate*” and immediately preceding the paragraph on “*Manner of bidding in the issue*”:

<i>Interest Rate Parameter</i>	<i>[●]</i>
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In case of a conflict or any inconsistency between the provisions of the Debenture Trust Deed and the provisions under the Shelf Placement Memorandum (as modified by this addendum to the Shelf Placement Memorandum (referred to as the “**Addendum**”)) in relation to provisions in respect of listing of the Debentures, the provisions in respect of listing of the Debentures under the Shelf Placement Memorandum (as modified by this Addendum to the Shelf Placement Memorandum) read with the relevant Tranche Placement Memorandum shall prevail over the relevant provisions under the Debenture Trust Deed. For all other matters, in case of any inconsistencies between the Shelf

Placement Memorandum (as modified by this Addendum to the Shelf Placement Memorandum) and the Debenture Trust Deed, the provisions of the Debenture Trust Deed would prevail.

The Shelf Placement Memorandum shall accordingly stand modified in this respect. All other terms and conditions of the Shelf Placement Memorandum and the Debentures shall remain the same.

For HDB Financial Services Limited

Authorized Signatory

Name: G. Ramesh

Title: Managing Director and CEO

DIN: 05291597

Dated: January 11, 2023