

**HDB/SLC/2025/1390**

October 15, 2025

To,  
Listing Compliance Department  
**National Stock Exchange of India Limited**  
Exchange Plaza, Plot No C/1, Block G,  
Bandra-Kurla Complex, Bandra (East),  
Mumbai - 400051  
Scrip Code: HDBFS

To,  
Listing Compliance Department  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400001  
Scrip Code: 544429

Dear Sir / Madam,

**Sub.: Monitoring Agency Report on the utilisation of proceeds raised through issuance of equity shares by way of Public Issue of the Company**

Pursuant to Regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulations 41(4) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") please find enclosed the Monitoring Agency Report issued by CARE Ratings Limited (Monitoring Agency), in respect to utilization of the proceeds raised through issuance of equity shares by way of Public Issue of the Company for the quarter ended September 30, 2025.

This is for your information and appropriate dissemination.

Thanking you,

**For HDB Financial Services Limited**

**Dipti Jayesh Khandelwal**  
**Company Secretary and Compliance Officer**  
**Membership No. F11340**

# Monitoring Agency Report

**No. CARE/HO/RL/2025-26/3283**

**The Board of Directors**

**HDB Financial Services Limited**

HDB House, Tukaram Sandam Marg,  
A – Subhash Rd, Navpada, Vile Parle East,  
Mumbai, Maharashtra – 400057

October 15, 2025

Dear Sir/Ma'am,

**Monitoring Agency Report for the quarter ended September 30, 2025 - in relation to the Initial Public Offer (IPO) of HDB Financial Services Limited ("the Company")**

We write in our capacity of Monitoring Agency for the IPO for the amount aggregating to Rs. 2,500 crore of the Company and refer to our duties cast under 41 of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended September 30, 2025, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated June 12, 2025.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,

*Aditya Acharekar*

**Aditya Acharekar**

Associate Director

[aditya.acharekar@careedge.in](mailto:aditya.acharekar@careedge.in)

**Report of the Monitoring Agency**

Name of the issuer: HDB Financial Services Limited

For quarter ended: September 30, 2025

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: Nil

(b) Range of Deviation: Not Applicable

**Declaration:**

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.



Signature:

Name and designation of the Authorized Signatory: Aditya Acharekar

Designation of Authorized person/Signing Authority: Associate Director

**1) Issuer Details:**

Name of the issuer : HDB Financial Services Limited  
Name of the promoter : HDFC Bank Limited  
Industry/sector to which it belongs : Non-Banking Financial Companies (NBFC)

**2) Issue Details**

Issue Period : June 27, 2025, to June 29, 2025  
Type of issue (public/rights) : Initial Public Offer  
Type of specified securities : Equity Shares  
IPO Grading, if any : Not Applicable  
Issue size (in crore) : Rs. 12,500 crores (of which fresh issue aggregating to Rs.2,500 crore and Rs.10,000 crore is related offer for sale)

**3) Details of the arrangement made to ensure the monitoring of issue proceeds:**

| Particulars                                                                                                                       | Reply          | Source of information / certifications considered by Monitoring Agency for preparation of report | Comments of the Monitoring Agency                                 | Comments of the Board of Directors |
|-----------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------|
| Whether all utilization is as per the disclosures in the Offer Document?                                                          | Yes            | Offer document, Chartered Accountant Certificate* Bank Statements                                | Yes, the company has utilized the proceeds as per offer document. | No comments                        |
| Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document? | No Deviation   | Chartered Accountant Certificate*                                                                | Not Applicable, since no deviations.                              | No comments                        |
| Whether the means of finance for the disclosed objects of the issue have changed?                                                 | No             | Chartered Accountant Certificate*                                                                | No                                                                | No comments                        |
| Is there any major deviation observed over the earlier monitoring agency reports?                                                 | Not Applicable | Chartered Accountant Certificate*                                                                | Not Applicable, since this is the first monitoring agency report. | No comments                        |
| Whether all Government/statutory approvals related to the object(s) have been obtained?                                           | Yes            | Chartered Accountant Certificate* Offer document                                                 | Yes                                                               | No comments                        |
| Whether all arrangements pertaining to technical assistance/collaboration are in operation?                                       | Not Applicable | Chartered Accountant Certificate*                                                                | Not Applicable                                                    | No comments                        |
| Are there any favorable/unfavorable events affecting the viability of these object(s)?                                            | No             | Chartered Accountant Certificate*                                                                | No                                                                | No comments                        |
| Is there any other relevant information that may materially affect the decision making of the investors?                          | No             | Chartered Accountant Certificate*                                                                | No                                                                | No comments                        |

\*Chartered Accountant certificate from G D Apte & Co Chartered Accountants dated October 09, 2025

#Where material deviation may be defined to mean:

a) Deviation in the objects or purposes for which the funds have been raised

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b) Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

**4) Details of objects to be monitored:**

(i) Cost of objects –

| Sr. No | Item Head                                                                                                                                                                                                                                 | Source of information / certifications considered by Monitoring Agency for preparation of report | Original cost (as per the Offer Document) in Rs. Crore | Revised Cost in Rs. Crore | Comments of the Monitoring Agency                                                                                                                                                                                                                                     | Comments of the Board of Directors |                           |                                        |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|--------------------------------------------------------|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|---------------------------|----------------------------------------|
|        |                                                                                                                                                                                                                                           |                                                                                                  |                                                        |                           |                                                                                                                                                                                                                                                                       | Reason for cost revision           | Proposed financing option | Particulars of -firm arrangements made |
| 1      | Augmentation of our Company's Tier – I Capital base to meet our Company's future capital requirements including onward lending under any of our Company's business verticals i.e. Enterprise Lending, Asset Finance and Consumer Finance# | Chartered Accountant certificate*, Offer Document                                                | 2,458.62                                               | 2,458.62                  | The net proceeds have been utilized in accordance with the objects of the issue. (99.92% of the net proceeds have been utilized). However, ₹2 crore held in escrow by BRLMs, will be released upon confirmation of final offer expenses which are yet to be utilised. | No comments                        | No comments               | No comments                            |
| 2      | Offer Expenses                                                                                                                                                                                                                            | Chartered Accountant certificate*, Offer Document                                                | 41.38                                                  | 41.38                     | Offer expenses are yet to be utilised and currently held in escrow account.                                                                                                                                                                                           | No comments                        | No comments               | No comments                            |

| Sr. No | Item Head | Source of information / certifications considered by Monitoring Agency for preparation of report | Original cost (as per the Offer Document) in Rs. Crore | Revised Cost in Rs. Crore | Comments of the Monitoring Agency | Comments of the Board of Directors |                           |                                        |
|--------|-----------|--------------------------------------------------------------------------------------------------|--------------------------------------------------------|---------------------------|-----------------------------------|------------------------------------|---------------------------|----------------------------------------|
|        |           |                                                                                                  |                                                        |                           |                                   | Reason for cost revision           | Proposed financing option | Particulars of -firm arrangements made |
| Total  |           |                                                                                                  | 2,500.00                                               | 2,500.00                  |                                   |                                    |                           |                                        |

\* Chartered Accountant certificate from G D Apte & Co Chartered Accountants dated October 09, 2025.

# Company's utilization is aggregating to 2,461.22 crore, (this includes ₹4.60 crore interest accrued on fixed deposit) which has been utilized towards augmenting for tier-I capital base to meet future business requirements of company towards onward lending.

(ii) Progress in the objects –

| Sr. No | Item Head                                                                                                                                                                                                                                | Source of information / certifications considered by Monitoring Agency for preparation of report | Amount as proposed in the Offer Document in Rs. Crore | Amount utilised in Rs. Crore                |                                 |                                        | Total unutilised amount in Rs. crore | Comments of the Monitoring Agency                                                                                                                                                                                                                                     | Comments of the Board of Directors |                           |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|-------------------------------------------------------|---------------------------------------------|---------------------------------|----------------------------------------|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|---------------------------|
|        |                                                                                                                                                                                                                                          |                                                                                                  |                                                       | As at beginning of the quarter in Rs. Crore | During the quarter in Rs. Crore | At the end of the quarter in Rs. Crore |                                      |                                                                                                                                                                                                                                                                       | Reasons for idle funds             | Proposed course of action |
| 1      | Augmentation of our Company's Tier – I Capital base to meet our Company's future capital requirements including onward lending under any of our Company's business verticals i.e. Enterprise Lending, Asset Finance and Consumer Finance | Chartered Accountant certificate*, Offer Document                                                | 2,458.62                                              | -                                           | 2,456.62                        | 2,456.62                               | 2.00^                                | The net proceeds have been utilized in accordance with the objects of the issue. (99.92% of the net proceeds have been utilized). However, ₹2 crore held in escrow by BRLMs, will be released upon confirmation of final offer expenses which are yet to be utilised. | No comments                        | No comments               |
| 2      | Offer Expenses                                                                                                                                                                                                                           | Chartered Accountant                                                                             | 41.38                                                 | -                                           | -                               | -                                      | 41.38                                | Offer expenses are yet to be utilised                                                                                                                                                                                                                                 | No comments                        | No comments               |

| Sr. No       | Item Head | Source of information / certifications considered by Monitoring Agency for preparation of report | Amount as proposed in the Offer Document in Rs. Crore | Amount utilised in Rs. Crore                |                                 |                                        | Total unutilised amount in Rs. crore | Comments of the Monitoring Agency     | Comments of the Board of Directors |                           |
|--------------|-----------|--------------------------------------------------------------------------------------------------|-------------------------------------------------------|---------------------------------------------|---------------------------------|----------------------------------------|--------------------------------------|---------------------------------------|------------------------------------|---------------------------|
|              |           |                                                                                                  |                                                       | As at beginning of the quarter in Rs. Crore | During the quarter in Rs. Crore | At the end of the quarter in Rs. Crore |                                      |                                       | Reasons for idle funds             | Proposed course of action |
|              |           | certificate*, Offer Document                                                                     |                                                       |                                             |                                 |                                        |                                      | and currently held in escrow account. |                                    |                           |
| <b>Total</b> |           |                                                                                                  | <b>2,500.00</b>                                       | <b>-</b>                                    | <b>2,456.62</b>                 | <b>2,456.62</b>                        | <b>43.38</b>                         |                                       |                                    |                           |

\* Chartered Accountant certificate from G D Apte & Co Chartered Accountants dated October 09, 2025.

# Company's utilization is aggregating to 2,461.22 crore, (this includes ₹4.60 crore interest accrued on fixed deposit) which has been utilized towards augmenting for tier-I capital base to meet future business requirements of company towards onward lending.

(iii) Deployment of unutilized proceeds:

| Sr. No. | Type of instrument and name of the entity invested in | Amount invested | Maturity date | Earning   | Return on Investment (%) | Market Value as at the end of quarter |
|---------|-------------------------------------------------------|-----------------|---------------|-----------|--------------------------|---------------------------------------|
| 1       | FD-SBI                                                | 6,00,00,00,000  | 10-07-2025    | 59,26,027 | 5.15                     | --                                    |
| 2       | FD-SBI                                                | 1,25,00,00,000  | 11-07-2025    | 14,10,959 | 5.15                     | --                                    |
| 3       | FD-SBI                                                | 3,75,00,00,000  | 14-07-2025    | 58,20,205 | 5.15                     | --                                    |
| 4       | FD-SBI                                                | 1,25,00,00,000  | 15-07-2025    | 21,16,438 | 5.15                     | --                                    |
| 5       | FD-SBI                                                | 1,25,00,00,000  | 16-07-2025    | 22,92,808 | 5.15                     | --                                    |
| 6       | FD-SBI                                                | 3,75,00,00,000  | 19-07-2025    | 86,30,137 | 5.25                     | --                                    |
| 7       | FD-SBI                                                | 2,50,00,00,000  | 21-07-2025    | 64,72,603 | 5.25                     | --                                    |
| 8       | FD-SBI                                                | 1,25,00,00,000  | 22-07-2025    | 34,16,096 | 5.25                     | --                                    |
| 9       | FD-SBI                                                | 1,00,00,00,000  | 23-07-2025    | 28,76,712 | 5.25                     | --                                    |
| 10      | FD-SBI (Renewal)                                      | 2,00,00,00,000  | 25-07-2025    | 43,15,068 | 5.25                     | --                                    |
| 11      | FD-SBI (Renewal)                                      | 1,25,00,00,000  | 29-07-2025    | 26,96,918 | 5.25                     | --                                    |

(iv) Delay in implementation of the object(s) –

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| Objects                                                                                                                                                                                                                                   | Completion Date                 |                | Delay (no. of days/ months) | Comments of the Board of Directors |                           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|----------------|-----------------------------|------------------------------------|---------------------------|
|                                                                                                                                                                                                                                           | As per the offer document       | Actual         |                             | Reason of delay                    | Proposed course of action |
| Augmentation of our Company's Tier – I Capital base to meet our Company's future capital requirements including onward lending under any of our Company's business verticals i.e. Enterprise Lending, Asset Finance and Consumer Finance# | 31-03-2026                      | Ongoing*       | No                          | No comments                        | No comments               |
| Offer expenses^                                                                                                                                                                                                                           | Not Mentioned in offer document | Not Applicable | No                          | No comments                        | No comments               |

\* Company has utilised ₹2,456.62 crore during Q2FY25. However, balance ₹2 crore held in escrow by BRLMs (which are yet to be utilized), will be released upon confirmation of final offer expenses.

^ ₹41.38 crore held in escrow account against offer expenses which are yet to be utilised.

**5)Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:** Not Applicable

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**Disclaimers to MA report:**

- a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as **"Monitoring Agency/MA"**). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.
- b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditor which is peer reviewed audit firm appointed by the Issuer believed by it to be accurate and reliable.
- c) Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.
- d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from statutory auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.
- e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

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