

Shelf Placement Memorandum

Private and Confidential – For Private Circulation Only
Shelf Placement Memorandum for issue of Unsecured Rated Listed
Perpetual Debt Instruments on a private placement basis
October 25, 2021

Shelf Placement Memorandum issued in conformity with Chapter V of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Operational Circular for issue and listing of Non-convertible Securities dated August 10, 2021 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.



HDB FINANCIAL SERVICES LIMITED
CIN: U65993GJ2007PLC051028
RBI Registration Number: N.01.00477
PAN Number: AABCH8761M

(Incorporated on June 4, 2007, in Ahmedabad, in the name of HDB Financial Services Limited a company within the meaning of the Companies Act, 1956 and registered with the Reserve Bank of India as a Non-Banking Financial Company)

Registered Office: Radhika, 2nd Floor, Law Garden Road, Navrangpura, Ahmedabad – 380 009 **Tel:** +91 079-30482717
Corporate Office: Ground Floor, Zenith House, Keshavrao Khadye Marg, Opp. Race Course, Mahalaxmi, Mumbai - 400034;
Tel: 022- 49116300;

Fax: 022-49116666; **Website:** www.hdbfs.com;

Compliance Officer: Ms. Dipti Khandelwal, **Contact details of Compliance Officer:** 022-49116368
e-mail: compliance@hdbfs.com

Shelf Placement Memorandum

Date: October 25, 2021

Type of Placement Memorandum: Private Placement

SHELF PLACEMENT MEMORANDUM FOR ISSUE OF UPTO 500 (FIVE HUNDRED) UNSECURED, RATED, LISTED, PERPETUAL DEBT INSTRUMENTS, OF FACE VALUE OF RS. 1,00,00,000/- (RUPEES ONE CRORE ONLY) EACH, AGGREGATING UP TO RS. 500,00,00,000/- (RUPEES FIVE HUNDRED CRORES ONLY) (THE "PDIs"), ON PRIVATE PLACEMENT BASIS TO BE ISSUED IN ONE OR MORE TRANCHES/SERIES (THE "ISSUE")

SECTION A





ISSUE OVERVIEW

Period of Validity of Shelf Placement Memorandum: This Shelf Placement Memorandum and the issue of PDIs by the Company hereunder in Tranches/ Series is under the terms of the Trust Deed executed by and between the Company and the Debenture Trustee dated February 05, 2021 shall be valid for a period of one (1) year from the Issue Opening Date of the first Tranche/ Series of PDIs issued by the Company by way of a Tranche Placement Memorandum and in respect of each offer of PDIs during the period of validity of this Shelf Placement Memorandum, the Company shall file with the Stock Exchange, a Tranche Placement Memorandum with respect to each Tranche/Series, containing details of the private placement and material changes, if any, in the information including the financial information provided in this Shelf Placement Memorandum or the earlier Tranche Placement Memorandum, as applicable.

Details of Compliance Officer	Details of Company Secretary	Details of Chief Financial Officer	Details of Promoters
Name: Ms. Dipti Khandelwal Telephone: 022-49116368 E-mail: compliance@hdbfs.com	Name: Ms. Dipti Khandelwal Telephone: 022-49116368 E-mail: compliance@hdbfs.com	Name: Mr. Haren Parekh Telephone: 022-49116300 E-mail: haren.parekh@hdbfs.com	Name: HDFC Bank Limited Telephone: 022 - 39760000 E-mail: santosh.haldankar@hdfcbank.com

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Details of Trustee	Details of Registrar to Issue	Details of Credit Rating Agency	Details of Credit Rating Agency	Details of Arranger
				The Company reserves the right to appoint arranger(s) for any Tranche/Series under the Issue and the details of such arranger shall be specified in the Tranche Placement Memorandum relevant to such Tranche/Series.
Axis Trustee Services Limited	Link Intime Private Limited	CARE Ratings Limited	CRISIL Ratings Limited	
Registered Address: Axis House, Bombay Dyeing Mills, Compound, Pandurang Budhkar Marg, Worli Mumbai 400 025 Corporate Address: The Ruby, 2 nd Floor SW 29 Senapati Bapat Marg I Dadar west, Mumbai – 400 028	Registered Address: C 101, 247 Park, L B S Marg, Vikhroli West Mumbai – 400 083 Corporate Address: C 101, 247 Park, L B S Marg, Vikhroli West Mumbai – 400 083	Registered Address: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off. Eastern Express Highway, Sion (E), Mumbai - 400 022. Corporate Address: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off. Eastern Express Highway, Sion (E), Mumbai - 400 022.	Registered Address: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai – 400076 Corporate Address: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai – 400076	
Tel No.: 022-62300451 Fax No.: 022-62300700	Tel No.: 022-49186000 Fax No.: 022-49186060	Tel No.: 022- 67543456 Fax No.: 022- 67543457	Tel No.: 022-33423000 Fax No.: 022-33423001	
Contact Person: Ms. Mangalagowri Bhat Tel No.: 022-6230 0431	Contact Person: Mr. Ganesh Jadhav Tel No.: 022 49186000	Contact Person: Mr. Himanshu Shethia Tel No.: 022-6754 3468	Contact Person: Ms. Subhasri Narayanan Tel No.: 022-3342 3403	
Email: mangalagowri.bhat@axis-trustee.in Website: www.axis-trustee.in	Email: ganesh.jadhav@linkintime.co.in Website: www.linkintime.co.in	Email: himanshu.shethia@careratings.com Website: www.careratings.com	Email: subhasri.narayanan@crisil.com Website: www.crisilratings.com	

ISSUE SCHEDULE

The Issue Opening Date, the Issue Closing Date and the Deemed Date of Allotment for each Tranche/Series will be informed to the Trustee separately and shall be incorporated in the Tranche Placement Memorandum. The Issue shall be open for subscription during the banking hours on each day during the period covered by the Issue Schedule, subject to the timelines of the EBP.

Each Tranche/Series of PDIs offered pursuant to this Shelf Placement Memorandum shall be subject to the terms and conditions pertaining to the PDIs outlined hereunder as modified/ supplemented by the terms of the respective Tranche Placement Memorandums filed with the Stock Exchange in relation to such Series/Tranches and other documents in relation to such issuance including the Private Placement Offer cum Application Letter(s). The terms and conditions contained in this Shelf Placement Memorandum shall be read in conjunction with the provisions (as may be mutually agreed between the Issuer and respective PDI Holders from time to time) contained in the respective Tranche Placement Memorandums, and in case of any repugnancy,

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inconsistency or where there is a conflict between the terms and conditions as are stipulated in the respective Tranche Placement Memorandums on one hand, and the terms and conditions in the Shelf Placement Memorandum on the other, the provisions contained in the Tranche Placement Memorandums shall prevail over and override the provisions of this Shelf Placement Memorandums for all intents and purposes.

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

The Issuer reserves the right to change the Issue program, including the Deemed Date of Allotment, at its sole discretion, without giving any reasons or prior notice. PDIs will be open for subscription at the commencement of banking hours and close at the close of banking hours on the dates specified in the Tranche Placement Memorandum.

CREDIT RATING

Details of credit rating along with reference to the rating letter issued (not older than one month on the date of the opening the issue) by the rating agencies in relation to the Issue shall be disclosed. The detailed press release of the Credit Rating Agencies along with rating rationale(s) adopted (not older than one year on the date of opening of the issue) shall also be disclosed:

CARE Ratings Limited has assigned a "CARE AAA Stable" (pronounced "CARE Triple A with stable outlook") and CRISIL Ratings Limited has assigned a "CRISIL AAA/Stable" (pronounced "CRISIL Triple A with stable outlook") rating to the captioned Issue. As per CARE and CRISIL's rating letter(s), instruments with this rating are considered to have a high degree of safety regarding timely servicing of financial obligations and such instruments carry very low credit risk. Investors may please note that the rating is not a recommendation to buy, sell or hold securities and investors should take their own decisions. The rating agency has the right to suspend, withdraw or revise the rating / outlook assigned to the Issue at any time, on the basis of new information or unavailability of information or other circumstances which the rating agency believes may have an impact on the rating.

Date of Rating Letters: October 19, 2021 by CARE Ratings Limited and October 01, 2021 by CRISIL Ratings Limited
Date of Rating Rationale/ Press Release of Ratings: September 23, 2021 & October 13, 2021 by CARE Ratings Limited and August 13, 2021 by CRISIL Ratings
Press Release and Rating Rationale: Please refer Annexure II

LISTING

The PDIs are proposed to be listed on the Whole Sale Debt Market Segment of the BSE Ltd ("BSE"). The in-principle approval obtained by the Issuer from BSE has been disclosed in Annexure IX. The Issuer has maintained the Recovery Expense Fund with the BSE (Please refer to the 'Summary Term Sheet for more details).

ELIGIBLE INVESTORS

The Disclosure Documents and the contents thereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by the Issuer and only such recipients are eligible to apply for the PDIs.

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Subject to applicable law, the categories of investors eligible to subscribe to the PDIs in this Issue, when addressed directly, are all Qualified Institutional Buyers, as defined under Section 2(ss) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("QIBs").

Note: Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them. Please also refer to the Section on 'Who Can Apply' below.

ISSUE HIGHLIGHTS*

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 Trustee	Axis Trustee Services Limited. Please refer to Annexure VI for terms and conditions of the details of appointment of the Trustee
Nature and Issue Size	Upto 500 unsecured, rated, listed, Perpetual Debt Instruments, aggregating up to Rs. 500,00,00,000/- (Rupees Five Hundred Crores 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: Rs. 500,00,00,000/- (Rupees Five Hundred Crores 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.	Not Applicable
*For further details on the terms of the Issue, please also refer the Section on 'Summary Term Sheet'	

ELECTRONIC BOOK MECHANISM AND DETAILS PERTAINING TO THE UPLOADING THE PLACEMENT MEMORANDUM ON THE ELECTRONIC BOOK PROVIDER PLATFORM.

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").

Mode of bidding	As per the Tranche Placement Memorandum
Manner of Allotment	As per the Tranche Placement Memorandum
Allotment Size	The minimum allotment of PDIs shall be Rs.1,00,00,000/- (Rupees One Crore Only).
Manner of Settlement	As per the process prescribed by the Electronic Book Mechanism Guidelines
Minimum Bid Lot and Multiple of Single Bid	Rs. 1,00,00,000/- (Rupees One Crore Only) and in multiples of Rs. 1,00,00,000/- (Rupees One Crore Only) thereafter.

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Trading Lot Size	Rs. 1,00,00,000/- (Rupees One Crore Only)
Settlement Cycle [T+1/ T+2] where T refers to the date of bidding/ issue day	As per the Tranche Placement Memorandum

APPLICATION PROCESS

A. HOW TO APPLY

Only eligible investors as given hereunder to whom the Disclosure Document is addressed may apply for the PDIs. Eligible investors are required to register on the EBP platform the link for which shall be available at https://bond.bseindia.com/investor_registration.aspx. All the registered and eligible investors are required to update the necessary bank account details and demat details before participating in the bidding process on the EBP platform.

Each Tranche of the Issue will open on the 'Issue Opening Date' and close on the 'Issue Closing Date' (both days inclusive) as stated herein below ("**Issue Period**"). Potential investors who wish to invest in the Issue shall submit an application for the PDIs with all the accompanying documents and the application money at any time starting from the Issue Opening Date and upto the Issue Closing Date. The subscription to the PDIs shall be made by the potential investors through the electronic book mechanism as prescribed by SEBI during the Issue Period in the manner as set out in the section on '**Issue Procedure**' below.

Applications for the PDIs must be made in the Application Form and must be completed in block letters in English by the Eligible investors. Application Forms must be accompanied by payment details. The full amount of the Face Value applied for has to be paid along with the delivery of the fully completed and executed Application Form together with other applicable documents described below. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants. **All Application forms duly completed shall be submitted at the Corporate Office of the Issuer being Ground Floor, Zenith House, Keshavrao Khadye Marg, Opp. Race Course, Mahalaxmi, Mumbai – 400034.**

The funds have to be credited to the designated bank accounts of Indian Clearing Corporation Ltd (ICCL), the details of which are provided below, within the prescribed timelines, as per the Electronic Book mechanism Guidelines. It may be noted that payment by any other means shall not be accepted. The Issuer assumes no responsibility for any applications lost in mail or in transit or any failure of electronic fund transfer.

The Issuer will not be responsible in any manner for any delayed receipts / non-receipt of payments or applications lost in mail.

B. WHO CAN APPLY?

Nothing in the Disclosure Documents shall constitute and/or deem to constitute an offer or an invitation to an offer, to be made to the Indian public or any section thereof through the Disclosure Documents, and the Disclosure Documents and its contents should not be construed to be a prospectus under the Companies Act. Subject to applicable law, the categories of investors eligible to subscribe to the PDIs in this Issue, when addressed directly, are those as set out in the section for 'Eligible Investors' hereinabove.

Without prejudice to the aforesaid, where the selection of the eligible investors is required to be done pursuant to bidding mechanism on the Electronic Platform called "EBP Platform" or any successive arrangement/platform mandated by SEBI under the Electronic Book Mechanism guidelines, only those Persons:

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1. who have been named in the "List of Eligible Investors" as placed before and approved by the Board; and/or
2. who are registered on the EBP Platform and eligible to make bids for PDIs of the Issuer (considered as 'deemed identified');
3. to whom allocation is to be made by the Issuer pursuant to selection under the electronic book mechanism for issuance of securities on private placement basis in terms of the relevant circulars and directions issued by the Securities and Exchange Board of India and the relevant electronic book providers,

shall be considered as "identified persons" to whom the Issuer shall make private placement of the PDIs and only such "identified persons" shall receive a direct communication from the Issuer with offer to subscribe to the PDIs and only such "identified persons" shall be entitled to subscribe to the PDIs (or any Tranche/Series thereof).

Notwithstanding anything stated in this document or otherwise, all eligible investors are required to check and comply with applicable laws including the relevant rules / regulations / guidelines / directions applicable to them for investing in this issue of PDIs, including all eligibility and registration formalities under the Electronic Book Mechanism Guidelines and the Issuer, is not in any way, directly or indirectly, responsible for any statutory or regulatory or procedural breaches by any investor, neither is the Issuer required to check or confirm the same.

The Disclosure Documents and the contents hereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by or on behalf of the Issuer and only such recipients are eligible to apply for the PDIs.

Eligible investors who fall in any of the following categories, shall accompany their Application Forms with the following documents:

PAN / GIR No:

All applicants should mention their Permanent Account number (PAN) allotted under Income Tax Act, 1961 or where the same has not been allotted, the GIR Number and the IT Circle/Ward/District should be mentioned. In case where neither the PAN nor the GIR number has been allotted, or the applicant is not assessed to Income Tax, the fact of such non-allotment should be mentioned in the Application Form. Applications without this will be considered incomplete and are liable to be rejected.

Application by Banks/ Corporate Bodies/ Mutual Funds/ Financial Institutions/ Trusts/ Statutory Corporations

The applications must be accompanied by certified true copies of (i) memorandum and articles of association/constitution/by-laws/trust deed; (ii) resolution authorizing investment and containing operating instructions; (iii) specimen signatures of authorized signatories; and (iv) necessary form for claiming exemption from interest on application money.

In case of applications by Mutual Funds registered with SEBI, a separate application must be made in respect of each scheme of the Mutual Fund and such applications will not be treated as multiple applications, provided that the application made by the asset management company/ trustee/ custodian clearly indicate their intention as to the scheme for which the application has been made.

The application forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of:

- (a) SEBI registration certificate;
- (b) Resolution authorizing investment and containing operating instructions;
- (c) Specimen signature of authorized signatories.

Application by Partnership Firm

The applications must be accompanied by certified copies of (i) the PAN Card of the partnership firm; (ii) copy of the partnership deed; (iii) the photo identity proof like Passport / PAN Card / Driving License, etc. of the partner(s) signing the Application Form and specimen signatures of authorised signatories; and (iv) an authority letter from all partners authorizing such investment.

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Application under Power of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signatures of all authorised signatories must be lodged along with the submission of the completed Application Form. Further, modifications/additions in the power of attorney or authority should be delivered to the Company at its Registered Office.

C. ISSUE PROCEDURE

The Issue Setup shall be done by the Issuer in accordance with the Operating Guidelines of the EBP platform. The final subscription to the PDIs shall be made by the eligible investors through the Electronic Book Mechanism as prescribed by SEBI under the SEBI Electronic Book Mechanism Guidelines by placing bids on the EBP during the Issue period. An Issuer, at its discretion, may withdraw from the Issue process in accordance with the conditions enlisted in the Operating Guidelines of the EBP platform. Eligible investors should note that disclosure of estimated cut off yield by the EBP platform to the eligible participants, pursuant to closure of Issue, shall be at the discretion of the Issuer. The Issuer may choose to disclose the estimated cut-off yield to all the eligible participants before the bidding.

The minimum number of PDIs that can be applied for and the multiples thereof shall be as set out in the Disclosure Documents. No application can be made for a fraction of a PDIs.

Potential investors whose bids have been accepted by the Issuer and to whom a signed copy of the Disclosure Documents have been issued by the Issuer and who have submitted/shall submit the Application Form ("**Successful Bidders**"), shall make pay-in of subscription monies in respect of the PDIs towards the allocation made to them, into the bank account of ICCL, on or prior to the Deemed Date of Allotment and before the Pay-In Cut-Off Time, the details of which will be displayed on the EBP Platform.

The pay-in by the Successful Bidders will be made only from the bank account(s), which have been provided / updated by the Successful Bidders in the EBP system. Any amount received from third party accounts or from accounts not specified in the EBP system will be refunded and no allotment will be made against such payments. Further, pay-in received from any other bank account may lead to cancellation of bid and consequent debarment of the bidder from accessing the EBP platform for 30 days. Upon the transfer of funds into the aforesaid account of ICCL and the Issuer confirming its decision to proceed with the allotment of the PDIs in favour of the Successful Bidders to the clearing corporation, the R&T Agent and the EBP and initiating the requisite corporate action for allotment of and credit of the demat letter of allotment into the relevant demat account of the Successful Bidders through the R&T Agent, the R&T Agent shall provide corporate action file along with all requisite documents to the Depositories by 12:00 hours and also intimate the EBP of the aforesaid actions. Upon the Depositories confirming the allotment of the PDIs and the credit of the PDIs into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the PDIs from the aforesaid account of the clearing corporation shall be released into the Issuer's bank account, as intimated by the Issuer to the EBP.

It must be noted that all funds pay-in obligations need to be fulfilled in totality. Partial fund receipt against any given obligation will be treated as a default and debarment penalties may be applicable as specified by the Electronic Book Mechanism Guidelines.

It may be noted that payment by any other means shall not be accepted. The Company assumes no responsibility for any applications lost in mail or in transit or any failure of electronic fund transfer.

The Company will not be responsible in any manner for any delayed receipts / non-receipt of RTGS payments or applications lost in mail.

All transfers/RTGS must be made payable to the designated bank accounts of ICCL, details whereof shall be specified in the Tranche Placement Memorandum.

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UNDERTAKINGS OF THE ISSUER

ISSUER'S ABSOLUTE RESPONSIBILITY: The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that the Disclosure Documents contain all information with regard to the Issuer and the Issue, that the information contained in the Disclosure Documents is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make the said documents as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

GENERAL RISK: Investors are advised to read the Risk Factors carefully before taking an investment decision in the Issue. For taking an investment decision, eligible investors must rely on their own examination of the Issuer, Issue, the Disclosure Documents and the risk involved. The PDIs have not been recommended or approved by any regulatory authority in India, including SEBI nor does any regulatory authority including SEBI, guarantee the accuracy or adequacy of the Disclosure Documents. Eligible investors should carefully read and note the contents of the Disclosure Documents. Each potential investor should make its own independent assessment of the merit of the investment in PDIs and the Issuer. Eligible investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the PDIs and should possess the appropriate resources to analyze such investment and suitability of such investment to such investor's particular circumstance. Potential investors are required to make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt markets and are able to bear the economic risk of investing in such instruments. **Specific attention of investors is invited to the statement of 'Risk Factors' given in Section O of this document.**

NO SIDE LETTERS: The Issuer has no side letter with any PDI Holders except the one(s) disclosed in the Disclosure Documents. Any covenants later added shall be disclosed on the stock exchange website where the PDIs are listed.

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SECTION B

DEFINITIONS

Term	Meaning
Act/ Companies Act	Companies Act, 2013 as may be amended from time to time
AGM	Annual General Meeting
Allotment/Allot/Allotted	Unless the context otherwise requires or implies, the allotment of the PDIs pursuant to the Issue.
Applicable Law	Includes all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof in relation to issuance of PDIs.
Application Form	The form in which an investor can apply for subscription to the PDIs as provided in Annexure III
Articles of Association /AoA	Articles of Association of HDB Financial Services Limited
Beneficial Owner(s)	Holder(s) of the PDIs in dematerialized form as defined under Section 2 of the Depositories Act.
Board	Board of Directors of HDB Financial Services Limited
BSE	BSE Ltd.
Capital to Risk-weighted Asset Ratio	means the minimum capital adequacy ratio prescribed by the RBI for any NBFC-ND-SI, from time to time.
CDSL	Central Depository Services Limited
CERSAI	Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
Company / Issuer / HDB	HDB Financial Services Limited
Coupon	in relation to any Tranche/Series, means the coupon payable on the PDIs constituting that Tranche/Series, on the Coupon Payment Dates, at the Coupon Rate.
Coupon Payment Date	in respect of any Tranche/Series, means the date(s) as specified in the Tranche Placement Memorandum issued in respect of that Series/Tranche, on which Coupon is payable, commencing after the Deemed Date of Allotment until the Call Option Date, provided that if the Call Option Date falls on a day prior to any Coupon Payment Date, then the Call Option Date shall itself be deemed to be the Coupon Payment Date for that Coupon Period;
CoR	Certificate of Registration. The Certificate of Registration obtained from the Reserve Bank of India under Sec.45 IA of Reserve Bank of India Act, 1934
Credit Agency(ies)/ Rating Agency(ies)	CARE Ratings Limited a company incorporated under the provisions of the Act and having its registered office at 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022; and CRISIL Ratings Limited a company incorporated under the provisions of the Act and having its registered office at Crisil House, Central Avenue, Hiranandani Business Park, Powai, Mumbai – 400076.
Date of Allotment / Deemed Date of Allotment	The date on which allotment for the relevant Tranche/Series is made, as specified in the relevant Tranche Placement Memorandum.
Debenture Trustee/ Trustee	Trustee appointed for the PDI Holders, in terms of the Trustee Agreement.

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Debenture Trustee Agreement/ Trustee Agreement	Agreement executed by and between the Trustee and the Company for the purposes of appointment of the Trustee to act as trustee in connection with the issuance of PDIs as disclosed in Annexure VI and as may be amended/ supplemented from time to time.
Debenture Trust Deed/ Trust Deed	The trust deed to be entered by and between the Company and the Trustee setting out the terms on which the PDIs are being issued and shall include the representation and warranties and the covenants to be provided by the Issuer and the Trustee and as may be amended/ supplemented from time to time.
Depositories	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996, as amended from time to time, in this case being NSDL and CDSL.
Disclosure Documents	Collectively, (i) this Shelf Placement Memorandum for the aggregate issue; and (ii) the relevant Tranche Placement Memorandum for the issue of PDIs constituting a particular Tranche/Series;
DP	Depository Participant
DP-ID	Depository Participant Identification Number.
DRR	Debenture Redemption Reserve required to be maintained in accordance with the provisions of the Companies Act.
Due Date	Any date on which the holders of the PDIs are entitled to any payments, in accordance with this Shelf Placement Memorandum, the Tranche Placement Memorandum or any other Transaction Document.
Debt Instruments/ Securities	Unsecured, Rated, Listed, Perpetual Debt Instruments issued / proposed to be issued pursuant to this Shelf Placement Memorandum.
Electronic Book Mechanism Guidelines	The guidelines issued by SEBI and pertaining to the Electronic Book Mechanism set out in the terms specified by the SEBI in Chapter VI of the Operational Circular titled as 'Electronic book Provider Platform, and the related operational guidelines issued by the concerned Electronic Book Provider, as may be amended, clarified or updated from time to time.
EBP/ Electronic Book Provider	Shall have the meaning assigned to such term under the Electronic Book Mechanism Guidelines.
FY/ Financial Year	12 (Twelve) months period commencing from April 1 of a particular calendar year and ending on March 31 of the subsequent calendar year.
Governmental Authority	The President of India, the Government of India, the Governor and the Government of any State in India, any Ministry or Department of the same, any municipal or local government authority, any authority or private body exercising powers conferred by Applicable Law and any court, tribunal or other judicial or quasi-judicial body and shall include, without limitation, a stock exchange and any regulatory body.
GOI	Government of India
Indebtedness/Financial Indebtedness	Any indebtedness for or in respect of: i. monies borrowed; ii. any amount availed of by acceptance of any credit facility; iii. any amount raised pursuant to the issuance of any notes, bonds, debentures, loan stock or any other similar securities or instruments; iv. the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with generally accepted principles of accounting in India, be treated as a finance or capital lease; v. receivables sold or discounted (other than any receivables sold in the ordinary course of business or to the extent that they are sold on a non-recourse basis); vi. any amount raised under any other transaction (including any

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	<p>forward sale or purchase agreement) having the commercial effect of a borrowing;</p> <p>vii. any derivative transaction entered into in connection with protection against or benefit from fluctuation in price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);</p> <p>viii. any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;</p> <p>ix. the amount of any liability under an advance or deferred purchase agreement if one of the primary reasons behind the entry into such agreement is to raise finance;</p> <p>x. any put option, guarantees, keep fit letter(s), letter of comfort, etc. by whatever name called, which gives or may give rise to any financial obligation(s);</p> <p>xi. any preference shares (excluding any compulsorily convertible preference shares);</p> <p>xii. (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (xi) above.</p>
INR / Rs.	Indian National Rupees (Currency of Republic of India)
Inter Creditor Agreement or ICA	shall mean an agreement entered under the directions issued by RBI described as the RBI (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 providing a framework for early recognition, reporting and time bound resolution of stressed assets on June 7, 2019 as amended from time to time read with the SEBI circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020.
Interest Rate / Coupon Rate	The rate of interest payable on the PDIs for the period shall be specified in the relevant Tranche Placement Memorandum issued for each Tranche/Series of the PDIs.
Investors	Those persons who fall under the category of eligibility to whom this Shelf Placement Memorandum along with the Tranche Placement Memorandum may be sent with a view to offering the PDIs for sale on private placement basis through this Shelf Placement Memorandum.
Majority PDI Holder(s)	In respect of any Tranche/Series, the PDI Holder(s) holding an aggregate amount representing not less than 75% (Seventy Five Percent) of the value of the nominal amount of the PDIs comprised in that Tranche/Series for the time being outstanding. It is however clarified that if a resolution is required to be passed in relation to a matter concerning a particular Tranche/Series only, then the term "Majority PDI Holder(s)" shall mean the PDI Holder(s) of that Tranche/Series holding an aggregate amount representing not less than 75% (Seventy Five Percent) of the value of the nominal amount of the PDIs comprised in that Tranche/Series for the time being outstanding.
Material Adverse Effect	The effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could cause a material and adverse effect on: (i) the business activities, financial condition and credit standing of the Company; or (ii) the ability of the Company to perform its obligations under the Transaction Documents; or (iii) the validity or enforceability of, or the effectiveness of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder).
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
NA	Not Applicable
NBFC	Non-Banking Financial Company

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NBFC-ND-SI	means a 'Systemically Important Non-Deposit taking Non-Banking Financial Company' as notified by the RBI, from time to time.
NEFT	National Electronic Funds Transfer Service.
NPA	Non-Performing Asset (as defined in RBI guidelines)
NSDL	National Securities Depository Limited
Operational Circular	Means the Securities and Exchange Board of India's Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 (bearing reference no. SEBI/HO/DDHS/P/CIR/2021/613 as may be amended/ updated from time to time.
PDI Holder(s)	The holder(s) of the PDIs issued by the Issuer and shall include the registered transferees of the PDIs from time to time.
PAN	Permanent Account Number
Perpetual Debt Instruments/ PDIs	Unsecured, Rated, Listed, Perpetual Debt Instruments for cash aggregating upto Rs. 500,00,00,000/- (Rupees Five Hundred Crore only) to be issued in one or more Tranches/Series pursuant to this Shelf Placement Memorandum and the Tranche Placement Memorandums to be issued thereunder from time to time.
Private Placement Offer cum Application Letter	Shall mean the offer cum application letter prepared in compliance with section 42 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time, which shall be issued with respect to each Tranche/Series issued under the Issue.
RBI	Reserve Bank of India
Registrar to the Issue/ R&T Agent/ Registrar and Transfer Agent	Registrar to the Issue
ROC	Registrar of Companies.
RTGS	Real Time Gross Settlement.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992.
SEBI Debt Listing Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued by SEBI, as amended from time to time, Operational Circular and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
Series	Any series of PDIs (within a Tranche) issued under the Issue pursuant to the issue of a Tranche Placement Memorandum and Private Placement Offer cum Application Letter.
Stock Exchange	BSE Limited
Super Majority PDI Holders	PDI Holder(s) of an amount representing not less than 3/4th (Three Fourth) in value of the nominal amount then outstanding of the PDIs under all the Tranches (within all Tranches, all Series) of PDIs under the Issue collectively.
TDS	Tax Deducted at Source
Tranche	Shall mean any tranche of PDIs issued, under which PDIs are to be issued pursuant to the Trust Deed, the relevant Tranche Placement Memorandum and Private Placement Offer cum Application Letter.
Tranche Placement Memorandum	Means a document supplementing the Shelf Placement Memorandum in the format as set out in Annexure X hereto, whereby future subscription to the PDIs shall be invited by the Issuer on a private placement basis in terms of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
Transaction Documents	The documents executed or to be executed in relation to the Issue of the PDIs and shall include the Trust Deed, the Trustee Agreement, this Shelf Placement Memorandum, Tranche Placement

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	Memorandums, the Private Placement Offer cum Application Letter(s) and any other document that may be designated by the Trustee as a Transaction Document.
WDM	Wholesale Debt Market Segment of the BSE.
Wilful Defaulter	Shall mean an Issuer who is categorized as a wilful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such in accordance with Regulation 2(ss) of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021

Undefined terms if any, in the Disclosure Documents shall have the same meaning as provided to the term in the Transaction Documents.

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SECTION C

DISCLAIMERS

GENERAL DISCLAIMER

The Disclosure Documents are neither a "Prospectus" nor a "Statement in Lieu of Prospectus" but a "Shelf Placement Memorandum" or "Tranche Placement Memorandum" (as applicable) prepared in accordance with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021. The Disclosure Documents do not constitute an offer to the public generally to subscribe for or otherwise acquire the PDIs to be issued by HDB Financial Services Ltd. (the "Issuer"/ the "Company"/ "HDB"). The Disclosure Documents are for the exclusive use of the prospective investors to whom it is delivered, and it should not be circulated or distributed to any third parties. The Issuer certifies that the disclosures made in the Disclosure Documents are generally adequate and are in conformity with the SEBI Debt Listing Regulations. This requirement is to facilitate investors to take an informed decision for making investment in the proposed Issue. The Company can, at its sole and absolute discretion change the terms of the offer. The Company reserves the right to close the Issue earlier from the dates specified in the Disclosure Documents or change the Issue timetable including the Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue will be open for subscription at the commencement of banking hours of the Issue Opening Date and the Issue Closing Date at the close of banking hours. The Issue shall be subject to the terms and conditions of Disclosure Documents and other documents in relation to the Issue.

The Issuer is seeking offer for subscription of unsecured, rated, listed, perpetual debt instruments (PDIs). The Disclosure Documents do not however, constitute an offer to sell or an invitation to subscribe to securities offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Disclosure Documents come, is required to inform himself about and to observe any such restrictions.

DISCLAIMER OF THE RESERVE BANK OF INDIA

The securities have not been recommended or approved by the RBI nor does RBI guarantee the accuracy or adequacy of the documents. It is to be distinctly understood that the documents should not, in any way, be deemed or construed that the securities have been recommended for investment by the RBI. RBI does not take any responsibility either for the financial soundness of the Issuer, or the securities being issued by the Issuer or for the correctness of the statements made or opinions expressed in the documents. Potential investors may make investment decision in the securities offered in terms of the Disclosure Documents solely on the basis of their own analysis and RBI does not accept any responsibility about servicing/ repayment of such investment.

DISCLAIMER OF THE SECURITIES AND EXCHANGE BOARD OF INDIA

The Disclosure Documents have not been filed with SEBI. The securities have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this document. It is to be distinctly understood that the documents should not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in the documents. The issue of the PDIs being made on private placement basis, filing of this document is not required with SEBI, however SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this document.

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DISCLAIMER OF THE ARRANGERS

It is advised that the Issuer has exercised self due-diligence to ensure complete compliance of prescribed disclosure norms in the Disclosure Documents. The role of the Arrangers in the assignment is confined to marketing and placement of the PDIs on the basis of the Disclosure Documents as prepared by the Issuer. The Arrangers shall use this document for the purpose of soliciting subscription from qualified institutional investors in the PDIs to be issued by the Issuer on private placement basis. It is to be distinctly understood that the aforesaid use of this document by the Arrangers should not in any way be deemed or construed that the document has been prepared, cleared, approved or vetted by the Arrangers, nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Disclosure Documents, nor does it take responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme or project of the Issuer. The Arrangers or any of their directors, employees, affiliates or representatives do not accept any responsibility and/or liability for any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in the Disclosure Documents.

DISCLAIMER OF THE TRUSTEE

The Trustee is neither the borrowers nor principal debtors or guarantors of the monies paid/invested by eligible investors for the PDIs.

DISCLAIMER OF THE ISSUER

The Issuer confirms that the information contained in the Disclosure Documents is true and correct in all material respects and is not misleading in any material respect. All information considered adequate and relevant about the Issue and the Company has made available in the Disclosure Documents for the use and perusal of the potential investors and no selective or additional information would be available for a section of investors in any manner whatsoever. The Issuer accepts no responsibility for statements made otherwise than in the Disclosure Documents or any other material issued by or at the instance of the Issuer and anyone placing reliance on any other source of information would be doing so at his/her/their own risk.

DISCLAIMER OF THE STOCK EXCHANGE

As required, a copy of the Disclosure Documents has been/ shall be submitted to BSE for hosting the same on its website. It is to be distinctly understood that such submission of the document with BSE or hosting the same on its website should not in any way be deemed or construed that the document has been cleared or approved by BSE, nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Disclosure Documents, nor does it warrant that this Issuer's securities will be listed or continue to be listed on the Exchange, nor does it take responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme or project of the Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

FORCE MAJEURE

The Company reserves the right to withdraw the Issue at any time prior to the Issue Closing Date in the event of any unforeseen development adversely affecting the economic and/or regulatory environment or otherwise. In such an event, the Company will refund the application money, if any, collected without assigning any reason.

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ISSUE OF PDIs IN DEMATERIALISED FORM

The PDIs will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the PDIs in dematerialised form. Investors will have to hold the PDIs in dematerialised form as per the provisions of the Depositories Act. The Issuer shall take necessary steps to credit the PDIs allotted to the beneficiary account maintained by the Investor with its Depository Participant. The Issuer will make the allotment to eligible investors on the Deemed Date(s) of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

EACH PERSON RECEIVING THIS THE DISCLOSURE DOCUMENTS ACKNOWLEDGES THAT:

1. Such person has been afforded an opportunity to request and to review and has received all additional information considered by it to be necessary to verify the accuracy of or to supplement the information herein;
2. Such person has not relied on any intermediary that may be associated with issuance of PDIs in connection with its investigation of the accuracy of such information or its investment decision.
3. The Issuer does not undertake to update the information in the Disclosure Documents to reflect subsequent events after the date of the Disclosure Documents and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer. Neither the delivery of the Disclosure Documents nor any sale of PDIs made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof. However, the Company shall in each Tranche Placement Memorandum highlight the material changes, if any, in the information about the Company contained in the Shelf Placement Memorandum.

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SECTION D

DETAILS OF PROMOTERS OF THE ISSUER



Name	HDFC Bank Limited
Date of Birth/ Date of Incorporation	August 30, 1994
Age	Not Applicable
Registered Address	HDFC Bank House Senapati Bapat Marg Lower Parel (W) Mumbai 400013
Educational Qualification	Not Applicable
Experience in the business or employment	The Bank has completed 27 years of operation.
positions/posts held in the past	Not Applicable
Directorships held	Not Applicable
other ventures of each promoter	The Bank has two subsidiaries namely, HDB Financial Services Limited and HDFC Securities Limited
Special Achievements	Amongst many accolades, in the past year, the Bank was: 1) Awarded as "India's Best Bank" at the Euromoney Awards for Excellence 2020 2) Awarded as "Best Bank in India" at the FinanceAsia Country Awards 2020 3) Ranked as India's Most Valuable Brand for the 7th consecutive year in the 2020 BrandZ™ Top 75 Most Valuable Indian Brands
Business and financial activities of the Promoter	The Bank is a publicly held banking company engaged in providing a range of banking and financial services including retail banking, wholesale banking and treasury operations.
photograph	Not Applicable
Permanent Accountant Number	AAACH2702H

DETAILS OF TRUSTEE, CREDIT RATING AGENCY(IES),

Trustee to the Issue	Name: Axis Trustee Services Limited  Regd office: Axis House, Bombay Dyeing Mills, Compound, Pandurang Budhkar Marg, Worli Mumbai 400 025 Corp office: The Ruby, 2 nd Floor SW 29 Senapati Bapat Marg I Dadar west, Mumbai – 400 028 Fax: 022-62300700 E-mail: mangalagowri.bhat@axistrustee.in Contact Person: Ms. Mangalagowri Bhat Website: www.axistrustee.in
Credit Rating Agency(ies) for the Issue	Name: CARE Ratings Limited  Regd office: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off. Eastern Express Highway, Sion (E), Mumbai - 400 022.

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	<p>Corp office: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off. Eastern Express Highway, Sion (E), Mumbai - 400 022. Tel: 022- 67543456 Fax: 022- 67543457 E-mail: himanshu.shethia@careratings.com Contact Person: Mr. Himanshu Shethia Website: www.careratings.com</p> <p>Name: CRISIL Ratings Limited CRISIL <small>An IRAP Global Company</small> Regd office: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai – 400076 Corp office: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai – 400076 Tel: 022-33423000 Fax: 022-33423001 E-mail: subhasri.narayanan@crisil.com Contact Person: Ms. Subhasri Narayanan Website: www.crisilratings.com</p>
Registrar to the Issue	<p>Name: Link Intime India Pvt. Ltd. LINK Intime Regd office: C 101, 247 Park, L B S Marg, Vikhroli West Mumbai – 400 083 Corp office: C 101, 247 Park, L B S Marg, Vikhroli West Mumbai – 400 083 Tel: 022- 49186000 Fax: 022- 49186060 E-mail: ganesh.jadhav@linkintime.co.in Contact Person: Mr. Ganesh Jadhav Website: www.linkintime.co.in</p>
Legal Counsel	<p>Name: Wadia Ghandy & Co.  Regd office: 2nd Floor, NM Wadia Buildings, 123 MG Road, Fort, Mumbai 400 001 Corp office: 2nd Floor, NM Wadia Buildings, 123 MG Road, Fort, Mumbai 400 001 Tel: 022- 22715600 Fax: 022- 22670226 E-mail: shabnum.kajiji@wadiaghandy.com Contact Person: Ms. Shabnum Kajiji Website: NA</p>
Statutory Auditors	<p>Name: M/s Khimji Kunverji & Co. LLP  Khimji Kunverji & Co LLP <small>Chartered Accountants</small> Regd office: Level-19, Sunshine Tower, Senapati Bapat Marg, Elphinstone Road,, Mumbai, Maharashtra 400013 Corp office: Level-19, Sunshine Tower, Senapati Bapat Marg, Elphinstone Road,, Mumbai, Maharashtra 400013 Tel: 022- 61437333</p>

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	Fax: - NIL E-mail: info@kkdlp.in Contact Person: CA Divesh Shah Website: www.kkc.in Name: M/s B. K. Khare & Co. Regd office: 706/708, Sharda Chambers, New Marine Lines, Mumbai – 400020 Corp office: 706/708, Sharda Chambers, New Marine Lines, Mumbai – 400020 Tel: 022 – 6243 9500 Fax: - NIL E-mail: shirishrahalkar@bkkhareco.com Contact Person: Shirish Rahalkar Website: www.bkkhareco.com
Guarantor, if applicable	Not Applicable
Arrangers, if any	As per the Tranche Placement Memorandum

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SECTION E

ABOUT THE ISSUER

A brief summary of the business/ activities of the Issuer and its subsidiaries with the details of branches / units and line of business: -

(i) Overview of the Business

The Issuer was incorporated in Ahmedabad on June 4, 2007, as a non-deposit taking Non-Banking Financial Company (NBFC) as defined under section 45-IA of the Reserve Bank of India Act, 1934 and is engaged in the business of financing. The Company has achieved a total income of Rs. 5,585 Crore and a net profit of Rs. 280 Crore in the first Half year of 2021-22 with total net worth of Rs. 7,865 Crore as at September 30, 2021. The Company is promoted by HDFC Bank Ltd. which has 95.11% shareholding in the Company as on September 30, 2021. The Company has been rated AAA/Stable by CARE and CRISIL for long term loans from banks. The Company's capital adequacy ratio as on September 30, 2021 was 19.80%, as against minimum regulatory requirement of 15% for non-deposit accepting NBFCs. The asset quality of the Company remains healthy with Gross NPAs at 6.06% and Net NPAs at 2.72% as on September 30, 2021. During first Half year of 2020-21, the Company has disbursed loans amounting to Rs.11,921 Crore.

The Company has 1336 branches in 956 cities in India as on September 30, 2021.

The Company caters to the needs of India's increasingly affluent middle market. The requirements of medium, small and micro business enterprises which may be too small to be serviced by corporate lending institutions are also addressed by the Company through suitable products and services.

The Company does not have any subsidiaries as on date.

(ii) Brief Particulars of the management of the Company and the corporate structure

The Company is professionally managed by its Board of Directors, headed by Mr. G. Ramesh, Managing Director and Chief Executive Officer (MD & CEO). Following are the Key Senior Management:

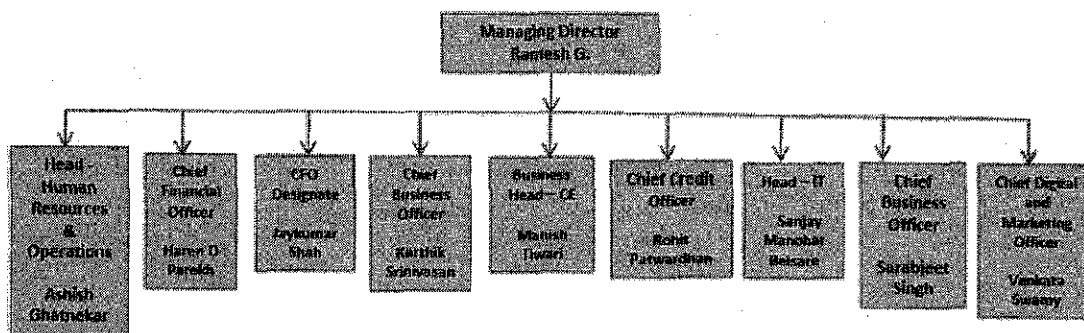
- Ashish Ghatnekar, Head - Human Resources & Operations
- Haren Parekh, Chief Financial Officer
- Jaykumar Shah, CFO Designate
- Karthik Srinivasan, Chief Business Officer
- Manish Tiwari, Business Head - CE
- Rohit Patwardhan, Chief Credit Officer
- Sanjay Belsare, Head - IT
- Sarabjeet Singh, Chief Business Officer
- Venkata Swamy, Chief Digital and Marketing Officer

All the Key Senior Managements report to the MD & CEO. The Company has a qualified pool of employees.

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The organisational chart of the Company is as set out below:



(iii) Business Activity:

HDB offers a comprehensive suite of products and service offerings that are tailor-made to suit its customers' requirements, including first-time borrowers and the under-served segments. HDB is engaged in the business of Loans, Fee based products and BPO services.

LOANS: HDB's range of product offerings include (A) Consumer Loans, (B) Enterprise Loans, (C) Asset Finance and (D) Micro-Lending.

(A) Consumer Loans: HDB provides loans to individuals for personal or household purposes to meet their short to medium term requirements. HDB's Consumer Loans Portfolio comprises the following:

- i. **Consumer Durable Loans** - HDB offers loans to its customers for the purchase of consumer durables and household appliances such as TVs, refrigerators, air conditioners and washing machines.
- ii. **Digital Products Loans** - HDB's digital product loans are offered to customers to help fund their basis to high-end digital product necessities.
- iii. **Lifestyle Product Loans** - Lifestyle Product Loans offered by HDB, assist the customers in the purchase of Lifestyle Products such as high-end furniture, cooking range, etc., enabling an upgradation of their lifestyle.
- iv. **Personal Loans** - Personal Loans are offered to both salaried and self-employed individuals to help them meet any immediate, personal and other needs.
- v. **Auto Loans** - HDB offers auto loans to customers seeking to buy a new or used car.
- vi. **Two-Wheeler Loans** - HDB offers two-wheeler loans to its borrowers, with an array of offerings.
- vii. **Gold Loans** - HDB ensures fulfillment of urgent personal needs of its customers by offering loans against security of gold jewelry.

(B) Enterprise Loans: HDB provides Loans to small and micro enterprises that are in need of funding. Various Loans offered to such enterprises include:

- i. **Unsecured Business loans** - HDB provides collateral-free loans to small businesses to help them meet their financial requirements that could vary from the purchase of new machinery and inventory to procuring working capital or revamping the business.

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- ii. **Enterprise Business Loan** - These loans are offered to self-employed persons (both individuals and professionals), private companies, and partnership firms to help boost their business of services, manufacturing, and trading.
- iii. **Loan against Property** - HDB provides multipurpose, secured loans against property to support new business ventures, purchase of office space or provide working capital or business expansion.
- iv. **Loan against Lease Rental** - HDB offers loans against rental income receivable on leased property, depending on the customer's financial profile and ability.
- v. **Auto Refinance** - Auto refinance is working capital loans offered to customers, which can be availed on hypothecation of vehicles.
- vi. **Loan against Securities** - Loans provided to customers to meet their immediate cash requirements against the pledge of their investments or securities like insurance policy, debt instruments or bonds, with HDB, without having to liquidate them.

(C) Asset Finance: The Company offers loans for purchase of new and used vehicles and equipment for income generation to its borrowers. The loans constituting this segment are:

- i. **Commercial Vehicle Loans:** HDB provides loans for the purchase of new and used commercial vehicles. The Company also offers refinancing on existing vehicles. The Company provides finance to a broad spectrum of customers including fleet owners, first-time users, first-time buyers and captive use buyers.
- ii. **Construction Equipment Loans:** HDB provides loans for the procurement of new and used construction equipment. The Company also facilitates refinancing or re-purchase of existing equipment.
- iii. **Tractor Loans:** HDB offers customized tractor loans for the purchase of tractors or tractor-related implements to meet any agricultural or commercial needs.

(D) Micro-Lending: Recently, the Company began providing micro-loans to borrowers through the Joint Liability Groups (JLGs) framework. With Micro-Lending, the company endeavours to empower and promote financial inclusion within these sections for the sustainable development of the nation.

FEE-BASED PRODUCTS / INSURANCE SERVICES:

(A) HDB is a registered Corporate Insurance Agent with a valid license from the Insurance Regulatory and Development Authority of India (IRDAI). The company is engaged in the sale of both Life and General (Non-Life) Insurance products.

(B) HDB is also registered with the Associations of Mutual Funds in India (AMFI) and has been assigned an AMFI registration number.

(C) Under the open architecture arrangement adopted by the Company for insurance distribution, the Company has tie ups with HDFC Life Insurance Company Limited and Aditya Birla Sun Life Insurance Company Limited. In the Non-Life insurance space, the Company has tie ups with HDFC Ergo General Insurance Company Limited and Tata AIG General Insurance Company Ltd.

(D) The Company distributes third-party products like extended warranty and road-side assistance.

BPO SERVICES: The Company's BPO services comprise of running collection call centers, sales support services, back office, operations, and processing support services.

(A) Collection Services: HDB has a contract with the HDFC Bank Limited to run collection call centers. These centers provide collection services for the entire gamut of retail lending products of HDFC Bank Limited. Currently, HDB offers end-to-end collection services in over 700 locations via its on-call and field support teams. The Company has an established set up of 18 call centers across the country with a capacity of over 5,500 seats.

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(B) Back office and Sales Support: The Company provides sales support services, back-office services such as forms processing, and document verification, finance, and accounting operations and processing support to HDFC Bank.

(iv) Infrastructure

The Company's IT hardware is housed in data centres in Bengaluru and Mumbai with centralised operations based at Hyderabad, Chennai and Noida. The Company has implemented a quality management system in its centralised operations.

(v) Project cost and means of financing, in case of funding of new projects

NA

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SECTION F

FINANCIAL INFORMATION

[The disclosures under (i) and (ii) hereunder shall be accompanied with the Auditor's Report along with the requisite schedules, footnotes, summary etc.]

(i) A columnar representation of the audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for a period of three completed years which shall not be more than six months old from the date of the draft offer document or offer document or issue opening date, as applicable.

Standalone Audited Financial Statement

Balance Sheet (Currency: Indian Rupees in Crore)		March 31, 2021	March 31, 2020	March 31, 2019
ASSETS				
Financial Assets				
(a)	Cash and cash equivalents	753.51	355.95	334.72
(b)	Bank balances other than cash and cash equivalents	222.87	207.23	153.79
(c)	Derivative financial instruments	-	81.32	-
(c)	Trade receivables	117.32	181.18	119.52
(d)	Loans	58,601.44	57,145.88	53881.17
(e)	Investments	1,592.90	1,745.76	568.36
(f)	Other financial assets	249.22	118.08	109.79
Sub total		61,537.26	59,835.40	55162.25
Non-financial Assets				
(a)	Current tax assets (Net)	56.91	77.42	36.74
(b)	Deferred tax assets (Net)	729.99	415.62	384.96
(c)	Property, plant and equipment	91.52	124.48	113.89
(d)	Capital work-in-progress	-	0.06	-
(e)	Other intangible assets	7.98	9.07	9.14
(f)	Right of Use Assets	217.40	252.41	-
Sub total		1,103.80	879.06	544.73
TOTAL ASSETS		62,641.06	60,714.46	55706.98
LIABILITIES AND EQUITY				

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Liabilities				
Financial Liabilities				
(a)	Trade payables			
(i)	Total outstanding dues of micro enterprises and small enterprises	0.01	-	-
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	334.25	149.99	394.91
(b)	Debt securities	23,802.07	22,593.38	24,119.67
(c)	Borrowings (other than debt securities)	22,569.07	23,580.16	18,095.65
(d)	Subordinated liabilities	3,987.61	3630.55	2,889.78
(e)	Other financial liabilities	2,844.93	2254.38	2,623.80
(f)	Derivative financial instruments	42.72	-	-
Sub total		53,580.66	52208.46	48,123.81
Non-Financial Liabilities				
(a)	Current tax liabilities (net)	173.05	74.60	56.12
(b)	Provisions	319.85	286.86	268.20
(c)	Other non-financial liabilities	121.26	126.74	80.37
		614.16	488.20	404.69
Equity				
(a)	Equity share capital	789.19	787.58	785.70
(b)	Other equity	7,657.05	7230.22	6,392.78
		8,446.24	8017.80	7,178.48
TOTAL LIABILITIES AND EQUITY		62,641.06	60714.46	55706.98

Profit and Loss statement (Currency: Indian Rupees in Crore)		March 31, 2021	March 31, 2020	March 31, 2019
Revenue from operations				
(a)	Interest income	8,487.88	8233.47	6,712.12
(b)	Sale of services	2,020.43	2113.23	1,648.12
(c)	Other financial charges	405.05	408.32	294.92
(d)	Net gain on fair value changes	40.04	18.78	32.93
(e)	Net gain on de-recognition of financial instruments under amortised cost category	(8.62)	(17.33)	36.72
(f)	Dividend	-	-	-

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Total Revenue from operations	10,944.78	10,756.47	8,724.81
Expenses			
(a) Finance Costs	3,882.93	4081.42	3,333.33
(b) Impairment on financial instruments	3,068.77	1441.57	636.94
(c) Employee Benefits Expenses	2,955.59	3195.57	2,551.74
(d) Depreciation, amortization and impairment	107.79	109.66	61.92
(e) Others expenses	428.99	463.77	416.82
Total Expenses	10,444.07	9291.99	7,000.75
Profit before tax	500.71	1464.48	1,724.06
Tax Expense:			
(a) Current tax	419.09	471.78	648.99
(b) Deferred tax (credit)	(309.85)	(12.15)	(87.34)
(c) Income tax for earlier year	-	-	9.17
Total Tax expense	109.24	459.62	570.82
Profit after tax from continuing operations	391.47	1004.85	1,153.24
Profit for the year	391.47	1004.85	1,153.24
Other Comprehensive Income			
(a) Items that will not be reclassified to profit or loss - Re-measurement gain/(loss) on defined benefit plan	(20.97)	(26.59)	(5.27)
(b) Income tax relating to items that will not be reclassified to profit or loss	5.28	6.69	1.84
(c) Items that will be reclassified to profit or loss	2.99	(46.95)	-
(d) Income tax relating to items that will be reclassified to profit or loss	(0.75)	11.82	-
Other Comprehensive Income	(13.45)	(55.03)	(3.43)
Total Comprehensive Income for the period	378.02	949.82	1,149.81

Cash Flow Statement		March 31, 2021	March 31, 2020	March 31, 2019
(Currency: Indian Rupees in Crore)				
A	Cash flow from operating activities			
	Profit/(loss) before tax	500.71	1464.48	1,724.06
	Adjustments for			

Shelf Placement Memorandum

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	(Profit)/loss on sale of asset	1.91	(0.19)	0.28
	Interest Expenses	3,857.22	3796.73	3,144.01
	Interest Income	(8,487.88)	(8233.47)	(6,712.12)
	Realised net (gain)/ loss on FVTPL investments	(79.75)	(43.85)	(31.25)
	Unrealised (gain)/loss on FVTPL investments	(5.15)	(1.95)	(1.68)
	Discount on commercial paper	25.71	284.69	189.33
	Impairment on financial instruments	3,065.52	1441.57	636.95
	Provision for compensated absence and gratuity	15.78	16.21	10.41
	Employee share based payment expenses	13.55	11.19	15.36
	Depreciation, amortization and impairment	107.79	109.66	61.92
	Rent expenses reversal	(61.78)	(55.80)	
	Operating cash flow before working capital changes	(1,046.37)	-1210.73	(962.73)
	Adjustments for working capital changes:			
	(Increase)/ decrease in trade receivables	66.12	(66.76)	6.92
	(Increase)/decrease in other financial assets and others	(65.41)	(207.27)	(458.37)
	(Increase)/decrease in Loans	(4,482.17)	(4608.28)	(10,356.11)
	Increase/(decrease) in other financial and non-financial liabilities & provision	7.85	(1768.36)	(1,521.66)
	Increase/(decrease) in trade payables	184.27	(244.92)	115.42
	Interest Paid	(3,695.31)	(3296.85)	(2,893.01)
	Interest Received	8,447.48	8134.29	6,625.67
	Cash generated from operations	(583.54)	(3268.88)	(9,443.86)
	Direct taxes paid (net of refunds)	180.00	237	453.00
	Net cash flow generated from/(used in) operating activities (A)	(403.54)	(3031.88)	(8,990.86)
B	Cash flow from investing activities			
	Purchase of fixed assets	(24.64)	(72.83)	(48.40)
	Proceeds from sale of fixed assets	0.38	0.55	0.20
	Purchase of investments Mutual fund	(15,557.50)	(16678.65)	(15,490.51)
	Proceeds of investments Mutual fund	15,713.15	15547.05	15,358.10
	Net cash generated from/(used in) investing activities (B)	131.38	(1203.89)	(180.61)
C	Cash flow from financing activities			
	Proceeds from issue of shares and security premium	36.87	33.49	39.03
	Debt securities issued	10,541.10	9426	15,336.00
	Debt securities repaid	(9,378.90)	(11153)	(11,519.09)
	Borrowings other than debt securities issued	9,309.34	24679.56	12,520.00

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Borrowings other than debt securities repaid	(10,195.20)	(19302.05)	(7,765.27)
Subordinated debt issued	356.50	743.5	900.00
Dividend & Tax paid on dividend	-	(170.50)	(66.07)
Net cash generated from/(used in) financing activities (C)	669.71	4257.00	9,444.60
Net increase/(decrease) in cash and cash equivalents (A+B+C)	397.56	21.23	273.11
Add : Cash and cash equivalents as at the beginning of the year	355.95	334.72	61.61
Add : Cash and cash equivalents acquired pursuant to Scheme of Amalgamation	-	-	-
Cash and cash equivalents as at the end of the year	753.51	355.95	334.72

Note: There was no auditor's qualification. Auditor's Report can be accessed at:

FY 2020-21: https://www.hdbfs.com/sites/default/files/debt/HDBFS_Financial_Results_March_2021_signed.pdf

FY 2019-20: https://www.hdbfs.com/sites/default/files/debt/Financial%20Results_reg%20%2052_final.pdf

FY 2018-19: <https://www.hdbfs.com/sites/default/files/debt/Audited%20Financial%20Results%20for%20year%20ended%20March%2031,%202019.pdf>

Note: The Ministry of Corporate Affairs, in its press release dated January 18, 2016, had issued a roadmap for implementation of Indian Accounting Standards (Ind-AS) for scheduled commercial banks, insurers / insurance companies and non-banking financial companies. This roadmap required these institutions to prepare Ind-AS based financial statements for the accounting periods beginning from April 1, 2018 onwards with comparatives for the periods beginning April 1, 2017 and thereafter. On March 30, 2016, the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 for implementation of Indian Accounting Standards by Non-Banking Financial Companies were notified. Accordingly, the Company has adopted IND-AS effective April 1, 2018 with comparatives for the periods beginning April 1, 2017.

Consolidated Audited Financial Statements

As on even date the Issuer does not have any subsidiary. The standalone and consolidated financial information would be the same and the Financial Information as disclosed above shall apply.

(ii) Unaudited financial information for stub period.

[Listed issuers (whose debt securities or specified securities are listed on recognised stock exchange(s)) in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, may disclose unaudited financial information for the stub period in the format as prescribed therein with limited review report in the placement memorandum, as filed with the stock exchanges, instead of audited financial statements for stub period, subject to making necessary disclosures in this regard in placement memorandum including risk factors.]

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Standalone Un-audited Financial Statement

Balance Sheet (Currency: Indian Rupees in Crore)		Half Year ended September 30, 2021 (Reviewed)
ASSETS		
Financial Assets		
(a)	Cash and cash equivalents	348.74
(b)	Bank balances other than cash and cash equivalents	219.91
(c)	Derivative financial instruments	-
(c)	Trade receivables	120.65
(d)	Loans	56,076.84
(e)	Investments	2,817.65
(f)	Other financial assets	329.23
Sub total		59,913.04
Non-financial Assets		
(a)	Current tax assets (Net)	99.04
(b)	Deferred tax assets (Net)	853.68
(c)	Property, plant and equipment	78.85
(d)	Capital work-in-progress	-
(e)	Other intangible assets	7.14
(f)	Right of Use Assets	209.56
Sub total		1,248.26
TOTAL ASSETS		61,161.31
LIABILITIES AND EQUITY		
Liabilities		
Financial Liabilities		
(a)	Derivative financial instruments	3.84
(b)	Trade payables	-
(i)	Total outstanding dues of micro enterprises and small enterprises	-
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	186.27
(c)	Debt securities	25,784.17

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(d)	Borrowings (other than debt securities)	19,489.26
(e)	Subordinated liabilities	3,988.66
(f)	Other financial liabilities	2,426.12
Sub total		51,878.32
Non-Financial Liabilities		
(a)	Current tax liabilities (net)	106.06
(b)	Provisions	221.94
(c)	Other non-financial liabilities	236.00
Subtotal		563.99
Equity		
(a)	Equity share capital	789.19
(b)	Other equity	7,929.81
Subtotal		8,718.99
TOTAL LIABILITIES AND EQUITY		61,161.31

Profit and Loss statement (Currency: Indian Rupees in Crore)		Quarter ended September 30, 2021 (Reviewed)	Half Year ended September 30, 2021 (Reviewed)
I	Revenue from operations		
	Interest income	2,059.47	4,223.15
	Sale of services	575.72	1,131.30
	Other financial charges	129.08	218.42
	Net gain on fair value changes	8.66	15.44
	Net gain/(loss) on derecognized financial instruments	(1.96)	(2.90)
	Total Revenue from operations	2,059.47	5,585.41
II	Expenses		
	Finance Costs	854.32	1,727.63
	Impairment on financial instruments	633.93	1,503.49
	Employee Benefits Expenses	865.59	1,687.82
	Depreciation, amortization and impairment	24.82	49.68
	Others expenses	140.36	248.38
	Total Expenses	2,519.02	5,216.99
III	Profit before tax (I-II)	251.96	368.42
IV	Tax Expense:		

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	a	Current tax	140.40	205.24
	b	Deferred tax	(80.09)	(117.10)
		Total Tax expense	60.31	88.14
V		Net Profit for the period (III-IV)	191.67	280.28
VI		Other Comprehensive Income (net of tax)	(0.56)	(19.57)
VII		Total Comprehensive Income (after tax) (V-VI)	191.11	260.70
VIII		Earnings per equity share		
	(a)	Basic (in Rupees)	2.43	3.55
	(b)	Diluted (in Rupees)	2.43	3.55
	(c)	Face value per share (in Rupees)	10	10

Cash Flow Statement Currency: Indian Rupees in Crore)		Half Year ended September 30, 2021 (Reviewed)
(A) Cash flow from operating activities		
Profit before tax		368.42
Adjustments for		-
(Profit)/loss on sale of asset		0.40
Interest expenses		1,730.74
Interest income		(4,223.15)
Realized net (gain)/ loss on FVTPL investments		(40.26)
Unrealized (gain)/loss on FVTPL investments		(0.36)
Discount on commercial paper		7.33
Impairment on financial instruments		1,503.49
Provision for compensated absence and gratuity		84.06
Employee share based payment expenses		12.01
Rent expenses reversal		(31.06)
Depreciation, amortization and impairment		49.68
Operating cash flow before working capital changes		(538.71)
Adjustments for working capital changes:		
(Increase)/ decrease in trade receivables		(3.33)

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(Increase)/decrease in other financial assets and others		(194.73)
(Increase)/decrease in Loans		1,010.27
Increase/(decrease) in other financial and non financial liabilities & provisions		(512.36)
Increase/(decrease) in trade payables		(147.99)
Interest paid		(2,137.06)
Interest received		4,232.05
Cash generated from operations		1,708.15
Direct taxes paid (net of refunds)		169.97
Net cash flow generated from/(used in) operating activities	A	1,878.12
(B) Cash flow from investing activities		
Purchase of fixed assets		(12.49)
Proceeds from sale of fixed assets		0.58
Purchase of investments mutual fund		(11,810.42)
Proceeds of investments mutual fund		10,641.29
Net cash generated from/(used in) investing activities	B	(1,181.04)
(C) Cash flow from financing activities		
Increase/(Decrease) in Debt securities (net)		2,047.00
Increase/(Decrease) in Borrowings other than debt securities (net)		(3,148.85)
Net cash generated from/(used in) financing activities	C	(1,101.85)
Net increase/(decrease) in cash and cash equivalents	A+B+C	(404.77)
Add : Cash and cash equivalents as at the beginning of the year		753.51
Cash and cash equivalents as at the end of the year*		348.74
*Components of cash and cash equivalents		
Balances with banks		257.97
Demand drafts on hand		7.76
Cash on hand		30.39
Collateral with banks for derivative		52.62
		348.74

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Note: There was no auditor's qualification. Limited Review Report can be accessed at:

HY 2021-22 : <https://www.hdbfs.com/sites/default/files/reports/Unaudited-QTY-&-HY-Financial-Results.pdf>

Consolidated Unaudited Financial Statements

As on even date the Issuer does not have any subsidiary. The standalone and consolidated financial information would be the same and the Financial Information as disclosed above shall apply.

(iii) Key Operational and Financial Parameters on a Consolidated and Standalone Basis:

For Financial Sector Entities:

Particular	Standalone (Amt in Crore)			
	Sept-21 (Reviewed)	Mar-21 (Audited)	Mar-20 (Audited)	Mar-19 (Audited)
Balance Sheet				
Net Fixed assets	85.99	99.50	133.61	123.03
Current assets	23,121.05	21,360.63	20,485.44	18,240.95
Non-current assets	37,954.27	41,180.93	40,095.41	37,343.00
Total assets	61,161.31	62,641.06	60,714.46	55,706.98
Non-Current Liabilities (including maturities of long-term borrowings and short-term borrowings)				
Financial (borrowings, trade payables, and other financial liabilities)	35,753.43	34,875.04	31,913.87	29,135.00
Provisions	53.57	37.61	62.25	25.27
Deferred tax liabilities (net)	-	-	-	-
Other non-current liabilities	606.19	553.08	348.66	335.85
Current Liabilities (including maturities of long-term borrowings)				
Financial (borrowings, trade payables, and other financial liabilities)	13,698.78	15,860.69	18,040.21	16,365.01
Provisions	168.37	282.24	224.61	242.93
Current tax liabilities (net)	106.06	173.05	74.60	56.12
Other current liabilities	2,055.92	2,413.11	2,032.46	2,368.32
Equity (equity and other equity)	8,718.99	8,446.24	8,017.80	7,178.48
Total equity and liabilities	61,161.31	62,641.06	60,714.46	55,706.98
Profit and Loss				
Total revenue	5585.40	10,944.78	10,756.47	8,724.81
From operations	5569.97	10,904.74	10,737.69	8,691.88
Other income	15.44	40.04	18.78	32.93
Total Expenses	5216.99	10,444.07	9,291.99	7,000.75

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Total comprehensive income (total revenue- total expense)	368.41	500.71	1,464.48	1,724.06
Profit / loss after tax	280.28	391.47	1,004.85	1,153.24
Other comprehensive income	-19.57	-13.45	-55.03	-3.43
Total Comprehensive income for the year	260.71	378.02	949.82	1,149.81
Earnings per equity share: (a) basic; and (b) diluted				
Continuing operations (Basic) in Rs.	3.55	4.97	12.78	14.71
Continuing operations (Diluted) in Rs.	3.55	4.97	12.77	14.69
Discontinued operations				
Total Continuing and discontinued operations	260.71	378.02	949.82	1,149.81
Cash Flow				
Net cash generated from operating activities	1878.12	-403.53	-3031.88	-8990.88
Net cash used in /generated from investing activities	-1181.04	131.38	-1203.89	-180.61
Net cash used in financing activities	-1101.85	669.71	4257	9444.6
Cash and cash equivalents	753.51	355.95	334.72	61.61
Balance as per statement of cash flows	348.74	753.51	355.95	334.72
Additional Information				
Net worth	7,865.31	7,716.25	7,602.18	6,793.52
Cash and Cash Equivalents	348.74	753.51	355.95	334.72
Current Investments		1,592.90	1,745.76	568.36
Assets Under Management	60,176.34	61,561	58,833	55,425
Off Balance Sheet Assets	140.80	128.84	195.58	144.96
Total Debts to Total assets	0.80	0.80	0.82	0.81
Debt Service Coverage Ratios [(Cash Profit after tax + interest paid) / interest paid]	1.19	1.13	1.27	1.36
Interest Income	4,223.15	8,487.88	8,233.47	6,712.12
Interest Expense	1,727.63	3,882.93	4,081.42	3,333.33
Interest service coverage ratio [(Cash Profit after tax + interest paid) / interest paid]	1.19	1.13	1.27	1.36
Provisioning & Write-offs	1,503.49	3,068.77	1,441.57	636.94
Bad debts to Account receivable ratio	0.06	0.05	0.04	0.02
Gross NPA (%)	6.06%	4.50%	3.87%	1.83%
Net NPA (%)	2.72%	3.08%	3.12%	1.24%
Tier I Capital Adequacy Ratio (%)	14.32%	13.44%	13.96%	12.78%
Tier II Capital Adequacy Ratio (%)	5.48%	5.45%	5.40%	5.13%

(iv) Gross Debt: Equity Ratio of the Company

Before the Issue	As specified in the Tranche Placement Memorandum
After the Issue	As specified in the Tranche Placement Memorandum

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(v) Details of any other contingent liabilities of the Issuer based on the last audited financial statements including amount and nature of liability.

(Amt in Crore)

S.N.	Particulars	31 Mar 21	31 Mar 20	31 Mar 19
1.	Claims against the Company not acknowledged as debt	93.55	94.32	93.73
2.	Estimated amount of contracts remaining to be executed on capital account and not provided for net of advance	8.64	12.42	19.53
3.	Undrawn committed sanctions to borrowers	26.65	88.84	31.7
	Total	128.84	195.58	144.96

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SECTION G

BRIEF HISTORY OF THE COMPANY SINCE INCORPORATION

(i) Capital Structure

a) Details of Share Capital as at last quarter end, i.e. September 30, 2021:-

Share Capital	Amount
Authorised Share Capital	Rs. 10,01,55,00,000 comprising: 1,00,15,50,000 Equity Shares of Rs. 10/- each
Issued, Subscribed and Paid-up Share Capital	Rs. 789,18,52,160 comprising: 78,91,85,216 Shares of Rs.10/- each

Notes: Of the above issued, subscribed and paid-up share capital 75,05,96,670 equity shares are held by HDFC Bank Ltd., the Promoter of the Company.

b) Changes in its capital structure as at last quarter end, i.e. September 30, 2021 for the last three years:-

Date of Change (AGM/ EGM)	Particulars
None	

c) Equity Share Capital History of the Company for the last 3 (three) years

Date of Allotment	No. Of Equity Shares	Face Value (Rs)	Form of Consideration (other than cash, etc)	Issue Price (Rs)	Nature of allotment	No. Of Equity shares	Cumulative Equity Share Capital (Rs)	Equity Share Premium (in Rs.)	Re-mark
30/5/2018	4,500	10	Cash	Series 8C – 88/-	ESOS Exercise	782940756	7829407560	28575852609	For cash on account of ESOP allotment
4/12/2018	27,59,550	10	Cash	Series 8B – 88/- Series 8C – 88/- Series 9A – 137/- Series 9B – 137/- Series 10A – 213/- Series 10B – 213/- Series 10C – 213/-	ESOS Exercise	785700306	7857003060	28938205459	For cash on account of ESOP allotment
13/9/2019	1,68,700	10	Cash	Series 8C – 88/- Series 9B – 137/-	ESOS Exercise	785869006	7858690060	28964171859	For cash on account of

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				Series 10A - 213/-					ESOP allotment
11/12/2019	17,10,650	10	Cash	Series 9C - 137/- Series 10A - 213/- Series 10B - 213/-	ESOS Exercise	787579656	7875796560	29254342609	For cash on account of ESOP allotment
18/11/2020	2,50,890	10	Cash	Series 10B - 213/- Series 11A - 274/-	ESOS Exercise	787830546	7878305460	29318729269	For cash on account of ESOP allotment
07/12/2020	10,41,100	10	Cash	Series 10C - 213/- Series 11A - 274/- Series 11B - 274/- Series 11C - 274/-	ESOS Exercise	788871646	7888716460	29530353169	For cash on account of ESOP allotment
25/02/2021	3,11,220	10	Cash	Series 10A - 213/- Series 10B - 213/- Series 10C - 213/- Series 11A - 274/- Series 11B - 274/-	ESOS Exercise	789182866	7891828660	29606476249	For cash on account of ESOP allotment
16/03/2021	2,350	10	Cash	Series 10C - 213/-	ESOS Exercise	789185216	7891852160	29606953299	For cash on account of ESOP allotment

d) Details of any Acquisition or Amalgamation in the last 1 year: -

None

e) Details of any Reorganization or Reconstruction in the last 1 year: -

Type of Event	Date of Announcement	Date of Completion	Details
None			

f) Details of the shareholding of the Company as at the latest quarter end, i.e., September 30, 2021 as per the format specified under the listing regulations:-

Sr. No	Particulars	No. of equity shares held	No. of shares held in demat form	Total Shareholding as % of total no. of equity shares
1	HDFC Bank Limited	75,05,96,670	75,05,96,670	95.11%
2	Others	385,88,546	385,88,546	4.89%

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Notes: - Shares pledged or encumbered by the promoters (if any): Not Applicable

g) List of top 10 holders of equity shares as of the latest quarter end i.e., as on September 30, 2021:

Sr. No.	Name of Shareholder	Total Number of Equity Shares	No. of shares in demat form	Shareholding as % of total shares
1	HDFC Bank Limited	75,05,96,670	75,05,96,670	95.11
2	HDB Employee Welfare Trust (Through Its Trustees)	26,18,699	26,18,699	0.33
3	HDBFS Employees Welfare Trust (Through Its Trustees)	19,22,062	19,22,062	0.24
4	PI Opportunities Fund I	11,00,000	11,00,000	0.14
5	Gouri Vinod Yennemedi	8,50,000	8,50,000	0.11
6	Ramesh G.	7,20,500	7,20,500	0.09
7	Sangeeta Paresh Sukthankar	5,51,078	5,51,078	0.07
8	Huzaan Kaizad Bharucha	3,90,000	3,90,000	0.05
9	Rohit Sudhir Patwardhan	3,67,199	3,67,999	0.05
10	Chandrasekharan Jagadisan	3,39,495	3,39,495	0.04

(ii) Directors of the Company

Following details regarding the directors of the Company: -

a) Details of the current directors of the Company as on date:

Name, Designation and DIN	Age (in years)	Address	Date of Appointment	Details of other directorship	Whether Willful Defaulter
Mr. Arijit Basu, Non-Executive Director and Chairman, DIN- 06907779	60	Om Ratan Bldg, 7th Floor, 70, Sir Pochkhanwala Road, Mumbai -400018	01.06.2021	Nil	No
Mr. Venkatraman Srinivasan, Independent Director DIN – 00246012	61	73, Keshav Smruti, 8B, Veer Savarkar Marg, Shivaji Park, Mumbai- 400028	12.03.2015	1. National Payments Corporation of India 2. Fairchem Organics Limited 3. TATA Coffee Limited 4. Mahanagar Gas Limited	No
Ms. Smita Affinwalla, Independent Director	58	7A, A Block, 3 rd Floor, Khalakdina Terrace, August Kranti Marg,	12.03.2015	1. Avameh Consulting Private Limited 2. Illuminos Consulting Pri-	No

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DIN - 07106628		Mumbai- 400 036		vate Limited 3. Prime Securities Limited 4. Micro Units Development & Refinance agency Limited	
Mr. Ramesh G., Managing Director and Chief Executive Officer DIN - 05291597	51	C - 101, Ashok Gardens, Tokersey Jivraj Road, Sewree, Mumbai 400015	01.07.2012	Nil	No
Dr. Amla Samanta, Independent Direc- tor DIN - 00758883	65	13, Meera Baug, Talmiki Road, Santacruz West, Mumbai - 400054-	01.05.2019	1. HDFC Securities Limited 2. Samanta Movies Private Limited 3. Shakti Cine Studio Pvt. Ltd.	No
Mr. A K Viswanathan, Independent Direc- tor DIN - 08518003	63	1502 Godrej Serenity, De- onar, Mumbai – 400088	24.07.2019	Nil	No

b) Details of change in directors since last three years:

Sr. No.	Name, Designation and DIN	Date of Appointment	Date of Cessation, if applicable	Date of resignation, if applicable	Remarks
1.	Mr. Jimmy Tata, Director DIN – 06888364	01/05/2016	-	30/06/2020	Resigned due to HDFC Bank's in- ternal policy
2.	Mr. Bhavesh Zaveri, Dir- ector DIN – 01550468	01/05/2016	-	28/11/2019	Resigned due to pre-occupation
3.	Dr. Amla Samanta, Inde- pendent Director DIN – 00758883	01/05/2019	-	-	-
4.	Mr. A K Viswanathan, In- dependent Director DIN – 08518003	24/07/2019	-	-	-
5.	Mr. Aditya Puri	01/05/2016	-	05/11/2020	Resigned due to HDFC Bank's in- ternal policy

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(iii) Auditors of the Company

a) Following details regarding the auditors of the Company:

Name	Address	Auditor since
M/s Khimji Kunverji & Co. LLP	Level-19, Sunshine Tower,, Senapati Bapat Marg,, Elphinstone Road,, Mumbai, Maharashtra 400013	September 18, 2021
M/s B. K. Khare & Co.	706/708, Sharda Chambers, New Marine Lines, Mumbai – 400020	September 18, 2021

b) Details of change in auditor since last three years:

Name	Address	Date of Appointment	Date of cessation, if applicable	Date of Resignation, if applicable
M/s. B S R & CO. LLP	Lodha Excelus, 1st Floor, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai – 400011	May 30, 2013	Ceased to be a Statutory Auditor due to ineligibility caused in terms of the RBI guidelines w.e.f. July 16, 2021	-
M/s Khimji Kunverji & Co. LLP	Level-19, Sunshine Tower,, Senapati Bapat Marg,, Elphinstone Road,, Mumbai, Maharashtra 400013	September 18, 2021	Not applicable	Not applicable
M/s B. K. Khare & Co.	706/708, Sharda Chambers, New Marine Lines, Mumbai – 400020	September 18, 2021	Not applicable	Not applicable

(iv) Details of the following liabilities of the Issuer, as at the end of the last quarter i.e. September 30, 2021 or if available, a later date: -

a) Details of Outstanding Secured Loan Facilities: -

Lender's name	Type of Facility	Amount Sanctioned (Rs. in Crore)	Principal Amount Outstanding (Rs. in Crore)	Security	Repayment Schedule	Date /
Axis Bank	Term Loan	250.00	250.00	Book Debt	Bullet repayment	
Bank Of Baroda	Term Loan	1000.00	500.00	Book Debt	Bullet repayment	
BNP Paribas	Term Loan	200.00	200.00	Book Debt	Bullet repayment	
Canara Bank	Term Loan	2500.00	920.83	Book Debt	Quarterly repayment	
Central Bank Of India	Term Loan	750.00	458.33	Book Debt	Quarterly repayment	

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Deutsche Bank	Term Loan	675.00	589.58	Book Debt	Bullet payment
Federal Bank	Term Loan	900.00	199.94	Book Debt	Half yearly repayment
HDFC Bank	Term Loan	10600.00	5746.32	Book Debt	Quarterly repayment
HSBC	Term Loan	2000.00	1330.00	Book Debt	Quarterly repayment
IndusInd Bank	Term Loan	1240.00	877.50	Book Debt	Quarterly repayment
ICICI Bank	Term Loan	1250.00	400.00	Book Debt	Quarterly repayment
Jammu & Kashmir Bank	Term Loan	250.00	165.00	Book Debt	Quarterly repayment
J P Morgan Bank	Term Loan	500.00	500.00	Book Debt	Bullet payment
Karnataka Bank	Term Loan	450.00	299.77	Book Debt	Yearly repayment
Kotak Mahindra Bank	Term Loan	800.00	475.00	Book Debt	Yearly repayment
Karur Vysya Bank	Term Loan	125.00	52.08	Book Debt	Quarterly repayment
Union Bank Of India	Term Loan	1000.00	633.33	Book Debt	Quarterly repayment
Punjab National Bank (e-United Bank Of India)	Term Loan	500.00	291.67	Book Debt	Quarterly repayment
Punjab National Bank	Term Loan	1000.00	100.00	Book Debt	Quarterly repayment
State Bank of India	Term Loan	2,000.00	0.00	Book Debt	-
Total		27490.00	13,989.35		
International Finance Corporation	External Commercial Borrowing	325.00	325.00	Book Debt	Bullet payment
Bank of Baroda- IFSC Banking Unit; The Hongkong And Shanghai Banking Corporation Limited; State Bank of India - New York Branch; Punjab National Bank - Hong kong Branch; BDO Unibank Inc, Singapore Branch; UCO Bank, Singapore	External Commercial Borrowing	3,873.59	3,873.59	Book Debt	Bullet payment

Note -

- 1) All installments are residual installment payable for outstanding loan amount.
- 2) All the above-mentioned loans are secured against "receivables from financing activities".

b) Details of Outstanding Unsecured Loan Facilities: -

Name of lender	Type of Facility	Amount Sanctioned	Principal Amount outstanding	Repayment Date / Schedule
None				

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c) Details of Outstanding Non-Convertible Securities: -

Details of NCDs (including Market Linked Debentures)

Series of NCS	Tenor / Period of Maturity	Coupon (%)	Amount in crore	Date of Allot- ment	Redemption Date/ Sched- ule
Series 2018 A/0(ZC)/124	1108	Zero Coupon	701.00	17-10-2018	29-10-2021
Series 2018 A/1(FX)/125	1246	9.3533	449.5.00	26-10-2018	25-03-2022
Series 2018 A/0(ZC)/128	1219	Zero Coupon	500.00	03-12-2018	05-04-2022
Series 2018 A/0(ZC)/128_INE756I07CI8 (Further Issuance I)	1201	Zero Coupon	361.20	21-12-2018	05-04-2022
Series 2019 / 131 - Series 2018 A/0(ZC)/ 128_INE756I07CI8 (Further Issuance II)	1168	Zero Coupon	57.50	23-01-2019	05-04-2022
Series 2019 / 131 - Series 2019 A/1(FX)/131	1197	8.8317	386.90	23-01-2019	04-05-2022
Series 2019 / 132 - Series 2018 A/0(ZC)/ 128_INE756I07CI8 (Further Issuance III)	1139	Zero Coupon	111.00	21-02-2019	05-04-2022
Series 2019 / 133 - Series 2018 A/0(ZC)/ 128_INE756I07CI8 (Further Issuance IV)	118	Zero Coupon	290.00	14-03-2019	05-04-2022
Series 2019 / 133 - Series 2019 A/1(FX)/133	1096	8.8000	290.00	14-03-2019	14-03-2022
Series 2019 / 134 - Series 2019 A/1(FX)/134	1141	8.5450	225.00	03-05-2019	17-06-2022
Series 2019 / 137 - Series 2019 A/1(FX)/ 134_INE756I07CP3 (Further Issuance I)	1092	8.5450	305.00	21-06-2019	17-06-2022
Series 2019 / 138 - Series 2019 A/1(FX)/138	1127	8.0000	117.00	25-07-2019	25-08-2022
Series 2019 / 139 - Series 2019 A/1(FX)/PP/ 139	3653	8.0500	1500.00	08-08-2019	08-08-2029
Series 2019 / 140 - Series 2019 A/1(FX)/ 134_INE756I07CP3 (Further Issuance II)	1030	8.5450	275.00	22-08-2019	17-06-2022
Series 2019 / 141 - Series 2019 A/1(FX)/141	1827	8.0500	280.00	28-08-2019	28-08-2024
Series 2019 / 142 - Series 2019 A/1(FX)/142	797	7.4900	700.00	13-09-2019	18-11-2021
Series 2019 / 143 - Series 2019 A/1(FX)/ 138_INE756I07CS7 (Further Issuance I)	1066	8.0000	200.00	24-09-2019	25-08-2022
Series 2019 / 144 - Series 2019 A/1(FX)/ 138_INE756I07CS7 (Further Issuance II)	1036	8.0000	220.00	24-10-2019	25-08-2022
Series 2019 / 145 - Series 2019 A/1(FX)/145	1096	7.5000	255.00	19-11-2019	19-11-2022
Series 2019 / 146 - Series 2019 A/1(FX)/ 142_INE756I07CV1 (Further Issuance I)	724	7.4900	300.00	25-11-2019	18-11-2021
Series 2019 / 146 - Series 2019 A/1(FX)/146	1124	7.5000	260.00	25-11-2019	23-12-2022
Series 2019 / 147 - Series 2019 A/1(FX)/ 145_INE756I07CW9 (Further Issuance I)	1059	7.5000	240.00	26-12-2019	19-11-2022
Series 2019 / 147 - Series 2019 A/1(FX)/ 146_INE756I07CX7 (Further Issuance I)	1093	7.5000	260.00	26-12-2019	23-12-2022
Series 2020 / 148 - Series 2020 A/1(FX)/148	1127	7.5700	257.00	16-01-2020	16-02-2023

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Series 2020 / 149 - Series 2020 A/1(FX)/149	1086	7.5549	800.00	30-01-2020	20-01-2023
Series 2020 / 150 - Series 2020 A/1(FX)/150	1155	7.0900	380.00	17-02-2020	17-04-2023
Series 2020 / 151 - Series 2020 A/1(FX)/150_INE756I07DA3 (Further Issuance I)	1140	7.0900	50.00	03-03-2020	17-04-2023
Series 2020 / 151 - Series 2020 A/4(FO)/151	961	Linked to 3 Month FBIL-TBILL rate plus spread of 191 bps	510.00	03-03-2020	20-10-2022
Series 2020 / 152 - Series 2020 A/1(FX)/152	1157	7.3000	1200.00	28-04-2020	29-06-2023
Series 2020 / 153 - Series 2020 A/1(FX)/153_Option 1	1157	7.2871	1300.00	26-05-2020	27-07-2023
Series 2020 / 153 - Series 2020 A/1(FX)/153_Option 2	1185	7.2834	700.00	26-05-2020	24-08-2023
Series 2020 / 154 - Series 2020 A/1(FX)/154	1224	6.6835	875.00	19-06-2020	26-10-2023
Series 2020 / 155 - Series 2020 A/1(FX)/155	1021	5.7400	500.00	07-08-2020	25-05-2023
Series 2020 / 156 - Series 2020 A/1(FX)/150_INE756I07DA3 (Further Issuance II)	958	7.0900	350.00	01-09-2020	17-04-2023
Series 2020 / 157 - Series 2020 A/1(FX)/157	683	5.1121	300.00	11-09-2020	26-07-2022
Series 2020 / 158 - Series 2020 A/1(FX)/157_INE756I07DJ4 (Further Issuance I)	650	5.1121	425.00	14-10-2020	26-07-2022
Series 2020 / 159 - Series 2020 A/1(FX)/157_INE756I07DJ4 (Further Issuance II)	637	5.1121	325.00	27-10-2020	26-07-2022
Series 2020 / 159 - Series 2020 A/0(ZC)/159	652	Zero Coupon	330.00	27-10-2020	10-08-2022
Series 2020 / 160 - Series 2020 A/1(FX)/160	1078	5.0800	950.00	15-12-2020	28-11-2023
Series 2021 / 161 - Series 2020 A/1(FX)/148_INE756I07CY5(Further Issuance I)	720	7.5700	1000.00	26-02-2021	16-02-2023
Series 2021 / 162 - Series 2021 A/1(FX)/162	1065	6.0451	1200.00	25-03-2021	23-02-2024
Series 2021 / 163- Series 2021 A/0(ZC)/163	1092	Zero Coupon	425.00	30-04-2021	26-04-2024
Series 2021 / 164- Series 2021 A/1(FX)/164	1096	5.7500	1200.00	28-05-2021	28-05-2024
Series 2021 / 165- Series 2021 A/1(FO)/165	1095	Linked to 3 Months TBILL (FBIL) rate plus spread of 135 bps	693.00	22-06-2021	21-06-2024
Series 2021 / 166 - Series 2021 A/0(ZC)/166	784	5.1800	323.00	15-07-2021	07-09-2023
Series 2021 / 167- Series 2021 A/1(FO)/167	1095	Linked to 3 Months TBILL (FBIL) rate plus spread of 127 bps	750.00	03-08-2021	02-08-2024
Series 2021 / 168- Series 2020 A/1(FX)/154_INE756I07DGO (Further Issuance I)	792	6.6835	250.00	25-08-2021	26-10-2023
Series 2021 / 168- Series 2021 A/1(FX)/168	1157	5.7000	800.00	25-08-2021	25-10-2024

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Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 1	1096	5.4900	150.00	13-09-2021	13-09-2024
Series 2021 / 169 -Series 2021 A/0(ZC)/169_Option 2	1747	Zero Coupon (xirr-6.35)	130.00	13-09-2021	26-06-2026
Series 2021 / 169 -Series 2021 A/1(FX)/169_Option 3	1824	6.3500	500.00	13-09-2021	11-09-2026
Series 2021 / 170- Series 2021 A/1(FX)/169_Option 3_INE756I07DX5 (Further Issuance I)	1815	6.3500	560.00	22-09-2021	11-09-2026
Series 2021 / 171- Series 2021 A/0(ZC)/171	1035	Zero Coupon (xirr-5.49%)	250.00	29-09-2021	30-07-2024
Series 2020 A/0(ML)/4	1071	If Final Fixing Level ≤ 25% of Initial Fixing Level: 0.000% If Final Fixing Level > 25% of Initial Fixing Level: 7.4273% p.a. (XIRR 6.95% p.a.)	236.10	02-06-2020	09-05-2023
Series 2021 / 5- Series 2021 A/0(ML)/5	761	If Final Fixing Level ≤ 25% of Initial Fixing Level: 0.000% If Final Fixing Level > 25% of Initial Fixing Level: 5.1358% p.a. (XIRR 5.00% p.a.)	100.00	04-08-2021	04-09-2023

*Note – All the above-mentioned NCDs are:

- secured against "Immovable property and/ or receivables from financing activities"
- NCDs (except the Market Linked Debentures) are rated AAA; Stable by CARE & AAA/Stable by CRISIL and the Market Linked Debentures are rated CARE PP-MLD AAA/Stable by CARE & CRISIL PP-MLD AAAr/Stable by CRISIL.

Details of Subordinated Bonds

Bond Series	Tenor/ Period of Maturity	Coupon (%)	Amount (Rs. In crore)	Date of Allotment	Redemption Date/Schedule
Series 2012 I/1/1	10 years	10.20	250.00	09-08-2012	09-08-2022
Series 2012 I/1/2	10 years	9.70	150.00	30-11-2012	30-11-2022
Series 2012 I/1/3	10 years	9.60	200.00	22-03-2013	22-03-2023

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Series 2013 I/1/4	10 years	10.20	100.00	18-10-2013	17-10-2023
Series 2013 I/1/5	10 years	10.05	50.00	20-12-2013	20-12-2023
Series 2013 I/1/6	10 years	10.19	80.00	18-03-2014	18-03-2024
Series 2014 I/1/7	10 years	9.70	200.00	20-06-2014	20-06-2024
Series 2014 I/1/8	10 years	9.55	100.00	13-11-2014	13-11-2024
Series 2014 I/1/9	10 years	9.55	200.00	17-11-2014	15-11-2024
Series 2016 I/1/10	10 years	8.79	220.00	22-07-2016	22-07-2026
Series 2016 I/1/11	10 years	8.05	170.00	06-12-2016	04-12-2026
Series 2018 I/1/12	10 years	8.42	150.00	01-02-2018	01-02-2028
Series 2018 I/1/13	10 years	8.45	130.00	21-02-2018	21-02-2028
Series 2018 I/1/14	10 years	9.05	250.00	27-07-2018	27-07-2028
Series 2018 I/1/15	10 years	9.70	350.00	15-11-2018	15-11-2028
Series 2019 I/1/16	10 years	8.85	315.00	07-06-2019	07-06-2029
Series 2020 / 17 - Series 2019 I/1/16_INE756I08181 (Further Issuance I)	3422 days	8.85	228.50	24-01-2020	07-06-2029
Series 2020 / 18 - Series 2020 I/1/18	3651 days	7.35	356.50	02-11-2020	01-11-1930

Note: All the above-mentioned Subordinated Bonds are unsecured and are rated 'AAA; Stable' by CARE & 'AAA/Stable' by CRISIL.

Details of Perpetual Debt Instruments:

PDI Series	Tenor Period of Maturity	Coupon (%)	Amount (Rs. crore)	Date of Allotment	Redemption Schedule	Date/
Series 2018 P/1/1	Perpetual	9.4	200	06-08-2018	Perpetual, unless call option is exercised any time after 10 years from the Deemed Date of Allotment	
Series 2018 P/1/2	Perpetual	9.15	100	07-09-2018	Perpetual, unless call option is exercised any time after 10 years from the Deemed Date of Allotment	
Series 2019 P/1/3	Perpetual	8.70	100	16-08-2019	Perpetual, unless call option is exercised any time after 10 years from the Deemed Date of Allotment	
Series 2019 P/1/4	Perpetual	8.70	100	29-11-2019	Perpetual, unless call option is exercised any time after 10 years from the Deemed Date of Allotment	

Note – All the above-mentioned Perpetual Debt Instrument are unsecured and are rated 'AAA; Stable' by CARE & 'AAA/Stable' by CRISIL

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d) List of top 10 holders of non-convertible securities in terms of value (in cumulative basis)

Sr. No.	Name of holders of Non-convertible Securities	Amount (Rs. in crore)	% of total NCS outstanding
1	HDFC Bank Ltd	4655.00	15.46
2	Kotak Mahindra Mutual Fund	1778.00	5.91
3	Aditya Birla Sun Life Mutual Fund	1765.10	5.86
4	HDFC Life Insurance Company Limited	1450.00	4.82
5	WIPRO Limited	1333.00	4.43
6	ICICI Prudential Mutual Fund	1100.20	3.65
7	State Bank of India	994.00	3.30
8	Axis Bank Limited	950.00	3.16
9	Union Bank of India	785.00	2.61
10	National Pension System (NPS) Trust	685.00	2.28

e) Details of outstanding Commercial Paper as at the end of the last quarter in the following format:-

Sr. No.	ISIN of Commercial Paper	Maturity Date	Amount Outstanding (Rs.in crore)
198	INE756114CW5	18-11-2021	300

f) Details of the Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares): -

Name of Party (in case of facility)/ Name of Instrument	Type of facility/Instrument	Amount sanctioned/ Issued	Principal Amount outstanding	Date of Repayment/ Schedule	Credit Rating	Secured/Unsecured	Security
None							

g) Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash. This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued: (i) in whole or part, or (ii) at a premium or discount, or (iii) in pursuance of an option or not:

None

(v) Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 3 years including the current financial year.

None

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- (vi) Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, litigations resulting in material liabilities, corporate restructuring event etc) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities.

Save as stated elsewhere in the Disclosure Documents, since the date of the last published audited financial accounts, to the best of the Issuer's knowledge and belief, no material developments have taken place that will affect the issue of the PDIs or the investor's decision to invest / continue to invest in the PDIs. However, please refer to Section O on 'RISK FACTORS' in this Shelf Placement Memorandum.

- (vii) Any litigation or legal action pending or taken by a Government Department or a statutory body during the last three years immediately preceding the year of the issue of the Shelf Placement Memorandum against the promoter of the Company.

The RBI, by an Order dated May 27, 2021, levied a penalty of Rs.10 cores for marketing and sale of third-party non-financial products to the Bank's auto loan customers, arising from a whistle blower complaint, which revealed, inter alia, contravention of Section 6(2) and Section 8 of the Banking Regulation Act, 1949. The Bank has discontinued the sale of said third-party non-financial product since October 2019.

FY 2020-21:

During the financial year 2020-21, the Reserve Bank of India and other regulatory / statutory authorities have imposed the following penalties / strictures / prohibitions / restrictions on the Bank:

A. Penalties:

1. Reserve Bank of India (RBI) has, vide its letter dated December 04, 2020, imposed a monetary penalty of Rs.10 lacs on the Bank for bouncing of SGL, which lead to shortage of balance in certain securities in the Bank's CSGL account on November 19, 2020. The Bank has since enhanced its review mechanism so as to ensure that such incidents do not recur.

2. SEBI issued final order on January 21, 2021, levying a penalty of Rs.100 lacs on the Bank, in the matter of invocation of securities pledged by a corporate entity for availing credit facilities. SEBI has also directed the Bank to transfer sale proceeds of Rs.158.68 crores on invocation of securities, along with interest to escrow account with a nationalised bank by marking lien in favour of SEBI. The Bank has challenged SEBI's order before SAT and the hearing in the matter is in progress.

B. Restrictions imposed:

Reserve Bank of India has issued an Order dated December 02, 2020 ("Order") to HDFC Bank Limited (the "Bank") with regard to certain incidents of outages in the internet banking/ mobile banking/ payment utilities of the Bank over the past 2 years, including the outages in the Bank's internet banking and payment system on November 21, 2020 due to a power failure in the primary data centre. RBI, vide above order, advised the Bank (a) to stop all digital business generating activities planned under its 'Digital 2.0' and proposed business generating applications digital also imposed restrictions and (b) to stop sourcing of new credit card customers. The Bank has initiated remedial activities including fixing of staff accountability and the same were communicated to the RBI.

FY 2019-20:

During the financial year 2019-20, the Reserve Bank of India (RBI) has, vide its order dated June 13, 2019, imposed a monetary penalty of Rs.10 million on the Bank for non-compliance with directions issued by RBI on Know Your Customer (KYC)/ Anti-Money Laundering (AML) Norms and on reporting of frauds. The penalty has been imposed in

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exercise of powers vested in RBI under the provisions of Section 47A(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949. In the instant case, the Bank had made a reference to the Custom Authorities for verification of Bill of Entry submitted by certain importers. Examination of these customers revealed violations of RBI directions on 'KYC/AML norms' and on reporting of frauds. The Bank has taken necessary measures to strengthen its internal control mechanisms so as to ensure that such incidents do not recur. The Reserve Bank of India (RBI) has also, vide its order dated January 29, 2020, imposed a monetary penalty of Rs.10 million on the Bank for failure to undertake ongoing due diligence in case of 39 current accounts opened for bidding in Initial Public Offer (IPO). The penalty has been imposed by RBI in exercise of the powers conferred under the provisions of Section 47A(1) (c) read with Section 46(4)(i) of the Banking Regulation Act, 1949. The Bank has since strengthened its internal control mechanisms so as to ensure that such incidents do not recur.

FY 2018-19:

During the FY 2018-19, RBI has, vide its order dated February 4, 2019, imposed a monetary penalty of Rs.2 million on the Bank for non-compliance with various directions issued by RBI on Know Your Customer (KYC)/ Anti-Money Laundering (AML) standards, more specifically those contained in their circulars dated November 29, 2004 and May 22, 2008. The Bank has since implemented corrective action to strengthen its internal control mechanisms so as to ensure that such incidents do not recur. Further, during the FY 2017-18, pursuant to the media reports, SEBI has issued directions to the Bank ("SEBI Directions") in relation to leakage of unpublished price sensitive information ("UPSI") pertaining to the financial results of the Bank for the quarter ended December 31, 2015 and the quarter ended June 30, 2017 in various private WhatsApp groups ahead of Bank's official announcement to the relevant stock exchanges. SEBI had directed the Bank to observe the following: (i) to strengthen its processes / systems / controls forthwith to ensure that such instances of leakage of unpublished price sensitive information do not recur in future, (ii) to submit a report on: (a) the present systems and controls and how the present systems and controls have been strengthened, (b) details of persons who are responsible for monitoring such systems, and (c) the periodicity of monitoring.

Further, SEBI had directed the Bank to conduct an internal inquiry into the leakage of UPSI relating to its financial figures including Non-Performing Assets (NPAs) results and take appropriate action against those responsible for the same, in accordance with the applicable law. The scope of such inquiry included determination of the possible role of following persons in relation to the aforesaid leakage of UPSI: (i) persons / members of committees involved in generation of the original data for the purpose of determination of key figures pertaining to financial figures including gross NPAs, (ii) persons involved in the consolidation of the figures for the financial results, (iii) persons involved in the preparation of board notes and presentations, (iv) persons involved in dissemination of information relating to financial results in the public domain, and (v) any other persons who had access to the information. SEBI had directed the Bank to complete the inquiry within a period of three (3) months from the date of the SEBI Directions and thereafter, file a report with SEBI in this regard within a further period of seven (7) days. The Bank had submitted the requisite information and reports to SEBI in compliance with the SEBI Directions and within the timelines prescribed therein. SEBI has since asked for information / clarifications from the Bank on the said matter from time to time, which have been furnished by the Bank.

On August 31, 2020, SEBI has passed an Adjudication Order in the matter of circulation of UPSI through Whatsapp messages with respect to the Bank, against one Mr. Renish Hareshbhai Bhuvra. Pursuant to the Order, the Adjudicating Officer has levied a monetary penalty of Rs.1,500,000 on Mr. Renish Hareshbhai Bhuvra for violation of the Regulation 12A(e) of the SEBI Act, 1992 and Regulation 3 (1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 relating to communication of UPSI. The Bank is not and was never associated / related/ connected, directly or indirectly, with Mr. Renish Hareshbhai Bhuvra, except in his capacity as a customer of the Bank.

(viii) Details of default and non-payment of statutory dues

None

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- (ix) The names of the trustee(s) with statement to the effect that trustee(s) has given its consent for appointment along with the copy of the consent letter from the trustee.**

The Trustee of the proposed Issue is Axis Trustee Services Limited. Axis Trustee Services Limited has given its written consent for its appointment as trustee to the Issue and inclusion of its name in the form and context in which it appears in the Disclosure Documents and in all the subsequent periodical communications sent to the PDI Holders. The consent letter from Trustee is provided in Annexure I of this Shelf Placement Memorandum.

- (x) If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.**

Not Applicable

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SECTION H

DISCLOSURE OF CASH FLOW WITH DATE OF INTEREST/DIVIDEND/ REDEMPTION PAYMENT AS PER DAY COUNT CONVENTION

a. The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made, should be disclosed.

As per relevant Tranche Placement Memorandum

b. Procedure and time schedule for allotment and issue of securities should be disclosed.

The procedure and time schedule for allotment shall be as per the SEBI Electronic Book Mechanism

c. Cash flows emanating from the non-convertible securities shall be mentioned in the offer document, by way of an illustration.

Please refer to the Illustration of Cashflows set out in the respective Tranche Placement Memorandum

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SECTION I

ASSET LIABILITY MANAGEMENT DISCLOSURES FOR NBFCs

[Where the issuer is a Non-Banking Finance Company, the following disclosures on Asset Liability Management have been provided for the latest audited financials]

S. No.	Particulars of Disclosure	Details
2.	Details with regard to the lending done by the issuer out of the issue proceeds of debt securities in last three years, including details regarding the following:	
1.1	Lending policy: Should contain overview of origination, risk management, monitoring and collections	<p>The Company offers loan products to the affluent middle market. The product suite includes unsecured and secured loans, asset financing and sales financing. The interest rates are either fixed or floating of a combination of fixed and floating rates. The Company has a differentiated business model to deliver efficiencies and contain risk based on the requirements of the target segment. The Company's branches are located in customer catchment areas which are closer to and convenient for customers.</p> <p>Credit risk is defined as the possibility of losses associated with the diminution in the credit quality of borrowers, losses may stem from outright default or a reduction in portfolio value. The Company has a distinct credit risk architecture, policies, procedures and systems for managing credit risk. The product programs for each of the products define the target markets, credit philosophy, process, detailed underwriting criteria for evaluating individual credits, exception reporting systems, individual loan exposure caps and other factors. For individual customers to be eligible for a loan, minimum credit parameters are to be met for each product and any deviations must be approved at designated levels. Credit framework encompasses parameters at different stages of the portfolio lifecycle from acquisitions till write offs. There are robust front-end and back-end systems in place to ensure credit quality and minimize loss from default. The factors considered while sanctioning retail loans include income, demographics, previous credit history of the borrower and the tenor of the loan. Thresholds are defined using historical data for each parameter at the Product level identifying "stress" period for the product lifecycle. This framework defined at product level is then aggregated at the Portfolio level. Exposures are monitored against approved limits to guard against unacceptable risk concentrations. The Company also monitors credit concentration of exposures to single borrower, group of borrowers, sensitive industries, geography, product, etc.</p> <p>The Company has a Board approved Risk Management Framework in place. The effectiveness of this framework is supervised periodically by the Risk Management Committee. The Audit Committee of the Company is responsible to ensure that the Company has appropriate systems, procedures, processes and controls in place to identify, evaluate and address the various risks that the company may be subject to. In addition, the committee is also responsible to evaluate the financial controls and other risks perceived by the Company. The committee shall oversee the Compliance, Human resources and operational risks and also review the controls and processes in place which ensures timely and correct statutory reporting.</p> <p>The Company's Risk management policy requires the Company to have detailed risk control matrices, which are defined based on the entity level and functional level assessments carried on by the Company from time to time. These RCMs help to list, categorize and prioritize the risks faced and assign corresponding controls, risk owners and persons entrusted for such controls. The Risk Management Committee meetings are conducted on quarterly basis and the committee focuses on ensuring that risks are identified, and key risks impacting the organisation i.e. Credit risk, Interest rate risk, Liquidity risk, operational risk, compliance risk and technology & information security</p>

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risks are addressed. The management is responsible for ensuring that risk management processes and systems are appropriate to the Company's risk profile and business plan based on guidance from the Board and its committees.

The Company has a robust collections mechanism in accordance with the RBI guidelines. The Collection process is end to end digitalised. The Company has a tie-up with various service providers for digital payment of loan by the customer.

1.2

Classification of loans given to associate or entities related to Board, Senior management, promoters, etc.:

None

1.3

Classification of loans/ advances

1.Details of types of loans

Sr. No	Type Of Loans	FY18-19	FY19-20	FY20-21
1	Secured	68.11%	59.02%	63.88%
2	Unsecured	31.89%	40.98%	36.12%
	Total	100.00%	100.00%	100.00%

2. Denomination of loans disbursed (Secured) by loan-to-value:

Sr. No	LTV	FY18-19	FY19-20	FY20-21
1	Upto 50%	18.98%	17.40%	16.77%
2	50-70%	18.59%	20.19%	17.75%
3	70-90%	41.03%	46.15%	54.57%
4	Above 90%	21.40%	16.26%	10.91%
	Total	100.00%	100.00%	100.00%

3. Top 5 Industry exposures- Disbursals :

Sr No	FY 18-19		FY19-20		FY20-21	
	Industry	% to Total	Industry	% to Total	Industry	% to Total
1	Road Transportation	29.42	Road Transportation	24.86	Road Transportation	23.26
2	Retail Trade	16.98	Retail Trade	21.59	Retail Trade	17.39
3	Agriculture and Allied Activities	6.17	Agriculture and Allied Activities	6.74	Agriculture and Allied Activities	9.46
4	Construction and Developers (Infrastructure)	4.66	Services	4.24	Services	7.75
5	Services	4.04	Non-ferrous Metals	3.87	Construction and Developers	4.21

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		4. Denomination of loans by ticket size - Disbursals						
		Sr. No	Ticket size (at the time of origination)	FY18-19	FY19-20	FY20-21		
		1	Upto Rs.2 Lakh	17.76%	26.41%	26.92%		
		2	Rs.2-5 lakh	21.76%	25.06%	26.83%		
		3	Rs. 5- 10 lakh	11.96%	13.13%	16.69%		
		4	Rs. 10-25 lakh	23.07%	20.45%	18.30%		
		5	Rs. 25-50 lakh	14.53%	7.79%	5.66%		
		6	Rs.50 lakh -1 crore	4.11%	3.02%	2.89%		
		7	Rs. 1 -5 crore	5.87%	3.95%	2.62%		
		8	Rs. 5-25 crore	0.53%	0.19%	0.09%		
		9	Rs. 25- 100 crore	0.41%	-	-		
		Total		100%	100%	100%		
		5. Geographical classification of borrowers:						
		Top 5 state :- % of Total Disbursements						
		Sr No	FY 18-19		FY19-20		FY20-21	
			Top 5 states	% to Total	Top 5 states	% to Total	Top 5 states	% to Total
		1	Tamil Nadu	13.41	Tamil Nadu	13.34	Uttar Pradesh	12.74
		2	Uttar Pradesh	11.13	Uttar Pradesh	11.26	Tamil Nadu	11.75
		3	Maharashtra	10.00	Rajasthan	8.41	Gujarat	8.14
		4	Gujarat	9.15	Gujarat	8.32	Rajasthan	7.81
		5	Rajasthan	8.28	Maharashtra	8.27	Maharashtra	7.56
		6. Maturity wise disbursements in % Terms.						
		Sr. No	Tenor Wise Grouping	FY18-19	FY19-20	FY20-21		
		1	Upto 1 Year	9.15%	13.05%	11.66%		
		2	1-3 Year	34.59%	38.94%	39.65%		
		3	3-5 Year	39.94%	35.65%	40.43%		
		4	Above 5 Year	16.32%	12.36%	8.26%		
			Total	100.00%	100.00%	100.00%		
1.4	Aggregated exposure to the top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by							
		Particulars			FY18-19	FY19-20	FY20-21	
		Share of Top 20 borrowers to						
		Total Disbursements during the year			1.07%	0.42%	0.43%	

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	RBI in its stipulations on Corporate Governance for NBFCs, from time to time:				
1.5	Details of loans, overdue and classified as non-performing in accordance with RBI stipulations	(amount in crore)			
		Stage3 Assets as on			
		March 31, 2019	March 31, 2020	March 31, 2021	
		1,000.38	2,259.13	2,760.86	
3.	Details of borrowings made by NBFC				
2.1	A portfolio summary with regard to industries/ sectors to which borrowings have been made	Category	Amount in Rs. Cr. (excluding Unamortized Borrowing Cost)		
		Borrowings in India	46,479.34		
		Borrowings outside India	3,874.83		
		Total	50,354.17		
2.2	Quantum and percentage of secured vis-à-vis unsecured borrowings made	As on March 31, 2021			
		Particulars	Amount in cr	%	
		Secured borrowing	45,980.01	91.30	
		Unsecured borrowing	4,378.74	8.70	
		Total	50,358.75	100.00	
2.3	Any change in promoters' holdings during the last financial year beyond the threshold, as prescribed by RBI.	None			
3.	NPA exposures of the Issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial	Particulars	Mar-19	Mar-20	Mar-21
		Gross NPA(%)	1.83%	3.87%	4.50%
		Provision (%)	0.59%	0.75%	1.43%
		Net Provision (%)	1.24%	3.12%	3.08%

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	statements of the issuer	
4.	Disclosure of Assets under management	Segment wise break up and Type of loans – Refer to the details provided below
5.	Details of borrowers	Geographical location wise- Refer to the details provided below
6.	Details of Gross NPA	Segment wise- Refer to the details provided below
7.	Details of Assets and Liabilities	Residual maturity profile wise into several bucket- Refer to the details provided below
8.	Disclosure of latest ALM statements to stock exchange	The same is available on the website of the Company at the below link https://www.hdbfs.com/sites/default/files/debt/letter-for-ALM-statement-NSE-Sept-2021.pdf

Disclosure of Assets under management, details of borrowers, details of Gross NPA, details of Assets and Liabilities as on March 31, 2021

1. Type of loans:		
Sl No.	Type of Loans	Rs. in crore
1	Secured	47,130.39
2	Unsecured	14,430.27
	Total assets under management (AUM)	61,560.66

2. Denomination of loans outstanding by loan-to-value:

Sl No.	LTV (at the time of origination)	Percentage of AUM *
1	Upto 40%	28.20%
2	40-50%	14.91%
3	50-60%	16.34%
4	60-70%	16.09%
5	70-80%	13.73%
6	80-90%	7.73%
7	>90%	3.00%
	Total	100.00%

* AUM of secured loan

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3. Sectoral exposure:

SI No.	Segment-wise break-up of AUM	Percentage of AUM
1	Retail	
A	Mortgages (home loans and loans against property)	29.05%
B	Gold Loan	1.11%
C	Vehicle Finance	34.40%
D	MFI	0.00%
E	MSME	26.27%
F	Capital Market funding (loan against shares, margin funding)	-
G	Others	9.17%
2	Wholesale	
A	Infrastructure	-
B	Real Estate (including builder loans)	-
C	Promoter Funding	-
D	Any other sector (as applicable)	-
E	Others	-
	Total	100.00%

4. Denomination of loans outstanding by ticket size:

Details of outstanding loans category wise

SI No.	Ticket size (at the time of origination)	Percentage of AUM
1	Upto Rs.2 Lakh	9.82%
2	Rs.2-5 lakh	23.00%
3	Rs. 5- 10 lakh	14.62%
4	Rs. 10-25 lakh	23.47%
5	Rs. 25-50 lakh	12.27%
6	Rs.50 lakh -1 crore	5.92%
7	Rs. 1 -5 crore	9.83%
8	Rs. 5-25 crore	1.07%
9	Rs. 25-100 crore	-
10	> Rs. 100crore	-
	Total	100.00%

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5. Geographical classification of borrowers :

Top 5 states borrower wise

Sr No.	Top 5 states	Percentage of AUM
1	Tamil Nadu	13.34%
2	Uttar Pradesh	11.42%
3	Gujarat	9.58%
4	Maharashtra	8.90%
5	Rajasthan	8.42%
	Total	51.66%

6. Details of loans overdue and classified as non-performing in accordance with the RBI's guidelines:

Movement of gross NPA	Rs.Crore
Opening gross NPA	2259.13
-Additions during the year	3764.85
-Reductions during the year	3263.12
Closing balance of gross NPA	2760.86

Movement of provisions for NPA	Rs.Crore
Opening Balance	438.60
Provisions made during the year	898.70
Write-off/write-back of excess provisions	462.56
Closing Balance	874.74

7. Segment wise gross NPA:

Sl No.	Segment-wise gross NPA	gross NPA (%)
1	Retail	
A	Mortgages (home loans and loans against property)	35.62%
B	Gold Loan	0.92%
C	Vehicle Finance	36.52%
D	MFI	0.00%
E	MSME	20.28%
F	Capital Market funding (loan against shares, margin funding)	0.00%
G	Others	6.66%
2	Wholesale	

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A	Infrastructure	-
B	Real Estate (including builder loans)	-
C	Promoter Funding	-
D	Any other sector (as applicable)	-
E	Others	-
	Total	100.00%

8. Residual maturity profile of assets and liabilities (In line with the RBI format)

Maturity pattern of certain items of assets and liabilities

(Rs. in crore)

Particulars	Deposits	Advances	Investments(*)	Borrowings	Foreign Currency Assets	Foreign Currency Liabilities
1 day to 30/31 days	-	2,049.29	1,455.03	781.39	-	-
Over one month to 2 months	-	1,583.03	-	1,650.10	-	-
Over 2 months upto 3 months	2.59	1,708.44	-	1,761.29	-	-
Over 3 months to 6 months	22.90	4,605.46	-	4,719.02	-	-
Over 6 months to 1 year	195.01	8,554.29	-	6,571.91	-	-
Over 1 year to 3 years	2.37	24,455.10	-	26,364.01	-	3,851.76
Over 3 years to 5 years	-	7,787.17	136.42	1,401.65	-	-
Over 5 years	-	7,858.66	1.45	3,257.62	-	-
Total	222.87	58,601.44	1,592.90	46,506.99	-	3,851.76

* Long-Term Investment in Clayfin Technologies Private Limited (Erstwhile Vayana Private Limited) are shown in "over 5 year"

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SECTION J

DISCLOSURES PERTAINING TO WILFUL DEFAULTER

i. The following disclosures shall be made if the Issuer or its Promoter or director is declared wilful defaulter:

i. Name of the bank declaring as a wilful defaulter: Nil

ii. The year in which it was declared as a wilful defaulter: Nil

iii. Outstanding amount when declared as a wilful defaulter: Nil

iv. Name of the entity declared as a wilful defaulter: Nil

v. Steps taken, if any, for the removal from the list of wilful defaulters: Nil

vi. Other disclosures, as deemed fit by the issuer in order to enable investors to take informed decisions: Nil

vii. Any other disclosure as specified by the Board: Nil

ii. The fact that the issuer or any of its promoters or directors is a wilful defaulter shall be disclosed prominently on the cover page with suitable cross-referencing to the pages:

Not Applicable

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SECTION K

GENERAL INFORMATION

The issuer shall file the following documents along with the listing application to the stock exchange and with the Trustee:

1. Memorandum and Articles of Association;
2. The Disclosure Documents;
3. Copy of last three years audited Annual Reports;
4. Statement containing particulars of, dates of, and parties to all material contracts and agreements;
5. Copy of the requisite Board / Committee Resolution authorizing the borrowing and list of authorized signatories for the allotment of securities;
6. An undertaking from the Issuer stating that the necessary documents for the Issue, including the Trust Deed has been executed within the time frame prescribed in the relevant regulations/acts/rules etc and the same would be uploaded on the website of the Stock Exchange, where the PDIs are proposed to be listed;
7. An undertaking that permission / consent from the prior creditor for a second or pari passu charge being created, where applicable, in favor of the trustees to the proposed issue has been obtained;
8. Any other particulars or documents that the recognized stock exchange may call for as it deems fit;

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SECTION L

OTHER DETAILS

- a. **Creation of a Debenture Redemption Reserve:** As per Section 71 of the 2013 Act, any company that intends to issue debentures must create a DRR to which adequate amounts shall be credited out of the profits of the company until the redemption of the PDIs. However, under the Companies (Issuance of Share Capital and Debentures) Rules, 2014, non-banking financial companies are presently exempt from this requirement in respect of privately placed debentures. Pursuant to this exemption, the Company does not intend to create any reserve funds for the redemption of the PDIs.
- b. **Issue/instrument specific regulations:** The PDIs are governed by and will be construed in accordance with the Indian law. The Company, the PDIs and Company's obligations under the PDIs shall, at all times, be subject to the provisions of the Companies Act, rules framed thereunder, regulations/guidelines/directions of RBI (including the Master Direction-Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued on September 01, 2016 and bearing reference Master Direction DNBR. PD.008/03.10.119/2016-17 (as amended from time to time), Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, Securities and Exchange Board of India's Operational Circular and other Applicable Laws and regulations as may be updated, amended or supplemented from time to time.
- c. **Default in Payment:** Please see **Note 2** of the Summary Term Sheet below as well as the section on 'Default Interest Interest'.
- d. **Delay in Listing:** Please see the 'Listing' section in the Summary Term Sheet below
- e. **Delay in allotment of securities:** Please see **Note 2** of the Summary Term Sheet below as well as the section on 'Additional Interest'.
- f. **Issue details:** Please refer to the Summary Term Sheet
- g. **Application Process:** As set out above in Section A of this Shelf Placement Memorandum
- h. **Disclosure Prescribed Under Pas-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014:** Please refer to Annexure VII
- i. **Project details (gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project):** Not Applicable
- j. **Material Contracts involving Financial Obligation:** The contracts referred to below (not being contracts entered into the ordinary course of business carried on by the Company) which are or may be deemed material have been entered into by the Company. Copies of these contracts together with the copies of these documents referred to below may be inspected at the Corporate Office of the Company between 10:00 am and 12:00 noon on any working day of the Company.

By the very nature of its business, the Company is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts / agreements / documents involving financial obligations of the Company. However, the contracts / agreements / documents listed below which

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are or may be deemed to be material (not being contracts entered into in the ordinary course of the business carried on by the Issuer, have been entered into / executed by the Company:

A. Documents material to the Issue

1. Memorandum and Articles of Association of the Company as amended from time to time.
2. Resolution of the Board of Directors passed at its meeting held on April 17, 2021, approving, inter-alia, the issue of Unsecured, Rated, Listed, Perpetual Debt Instruments aggregating up to Rs. 500,00,00,000/- (Rupees Five Hundred Crore Only) and resolution dated August 03, 2021 for partial modification of certain terms and conditions for issuance of PDIs.
3. Resolution passed by the shareholders appointing Statutory Auditors of the Company*.
 *In compliance with RBI's circular on statutory auditor dated April 27, 2021 bearing reference no. Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22, the Company's erstwhile statutory auditor has resigned with effect from July 16, 2021. The appointment of the new statutory auditor has been approved by the Board of Directors vide resolution dated July 16, 2021 and by the Shareholder vide special resolution passed through Postal Ballot dated September 18, 2021.
4. Resolution passed by the shareholders of the Company at the Annual General Meeting held on June 30, 2020, authorising the Board of Directors to borrow, for the purpose of the Company, upon such terms and conditions as the Board may think fit for amounts up to Rs. 80,000 crore (Rupees Eighty Thousand Crore) under Section 180(1)(c).
5. Resolution passed by the shareholders of the Company at the Annual General Meeting held on June 25, 2021 authorising the Board of Directors to offer, issue and allot Unsecured, Rated, Listed, Perpetual Debt Instruments under Trust Deed dated February 05, 2021 between the Trustee and the Company in one or more series/tranches, aggregating up to Rs. 500 crore.
6. Credit Rating Letter dated October 19, 2021 and October 01, 2021 and Rating Rationale dated October 13, 2021 and August 13, 2021 from CARE Rating Limited and CRISIL Ratings Limited respectively, assigning the credit rating to the PDIs.
7. Tripartite agreement dated July 25, 2012 between the Company, Link Intime India Pvt. Ltd. (Registrar & Transfer Agent) and CDSL.
8. Certified true copy of the Tripartite agreement dated July 26, 2012 between the Company, Link Intime India Pvt. Ltd. (Registrar & Transfer Agent) and NSDL.
9. Consent letter issued by Axis Trustee Services Limited dated January 14, 2021 to act as the Trustee to the Issue and inclusion of its name in the form and context in which it appears in this Shelf Placement Memorandum.
10. In-principle approval for listing of the PDIs.
11. Trust Deed executed with Axis Trustee Services Ltd. dated February 05, 2021 as amended by the supplementary Trust Deed dated March 12, 2021 and amendment deed dated October 19, 2021.
12. Trustee Agreement executed with Axis Trustee Services Ltd. dated February 05, 2021 as amended by the amendment deed dated October 19, 2021.
13. This Shelf Placement Memorandum read together with the relevant Tranche Placement Memorandum.

B Material Contracts

1. Collection Services Agreement with HDFC Bank Limited dated January 25, 2017.
2. License agreement with HDFC Bank Limited dated February 201, 2019, for right to use HDFC Bank's logo.

Certified true copy of the aforementioned documents are available for inspection at the Corporate Office of the Company until the date of closure of the Issue.

- k. **Material Development:** Save as stated elsewhere in this Shelf Placement Memorandum, since the date of last published audited statement, no material developments have taken place that will materially affect the performance of the prospects of the Company. There are no material events/ developments at the time of issuance of this document which may affect this issue or the investor decision to invest/continue to invest in the debt securities.

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- i. **Servicing behaviour of the Existing Debts:** The Company is discharging all its liabilities in time and would continue doing so in future as well. The Company has been paying regular interest and principal amount on redemption.
- m. **Consent From the Existing Lenders:** The company is not required to obtain any consent from existing lenders.

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SECTION M

OTHER TERMS PERTAINING TO THE ISSUE

Nature

The PDIs are to be issued in the form of unsecured non-convertible debentures.

Form

The PDIs to be issued in a dematerialized form which are subject to the provisions of the Depositories Act and the rules notified by NSDL and CDSL from time to time.

Allotment

The beneficiary account of the investor(s) with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)/ Depository Participant will be given initial credit within 2 (Two) working days from the Deemed Date of Allotment. The initial credit in the account will be akin to the Letter of Allotment.

Undertaking to Use a Common Form of Transfer

The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these PDIs held in electronic form. The seller should give delivery instructions containing detail of the buyer's DP account to his depository participant. The issuer undertakes that there will be common transfer form/ procedure for transfer of PDIs. The seller shall be responsible for payment of stamp duty in transfer of securities in accordance with applicable law.

Coupon Payments

(a) Coupon rate: The details as to Coupon Rate/ interest for each Tranche/Series shall be specified in the relevant Tranche Placement Memorandum issued in respect of such Tranche/Series. Any Coupon/ interest payable on the PDIs may be subject to deduction at source at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, for which a certificate will be issued by the Company.

(b) Computation of Coupon: All Coupon accruing on the face value of the PDIs shall accrue from day to day at the applicable Coupon Rate and rounded off to the nearest Rupee. The Coupon shall be computed on the Outstanding Principal Amount on the relevant PDIs for the period commencing from the relevant Deemed Date of Allotment (or the previous Coupon Payment Date on which the Coupon has been fully paid) and expiring on the immediately succeeding Coupon Payment Date and such Coupon shall be paid on the said succeeding Coupon Payment Date. The Coupon shall be computed in accordance with the day count basis as more particularly specified in the relevant Tranche Placement Memorandum for each Tranche/Series.

(c) Payment of Coupon: Payment of Coupon on the PDIs will be made to those of the PDI Holder(s) whose name(s) appear in the register of PDI Holder(s) (or to the first holder in case of joint holders) as on the Record Date fixed by the Company for this purpose and/or as per the list provided by the Depository to the Company of the beneficiaries who hold PDIs in dematerialized form on such Record Date, and are eligible to receive Coupon.

(i) Interest on Application Money

The Company shall be liable to pay the PDI Holder(s) interest on application money as more particularly specified in the relevant Tranche Placement Memorandum for each Tranche/Series.

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(ii) Rate and Manner of Payment

- A) If the PDIs (under a Tranche/Series) carry any Coupon, such Coupon shall be at such Coupon Rate and after such Coupon Period as may be agreed upon with prospective investors for such Tranche/Series and shall be payable in the manner and at such intervals as may be agreed upon with the prospective investors for that Tranche/Series until the PDIs are repaid in full. The details of such Coupon and the manner of payment of the Coupon shall be provided for in the relevant Tranche Placement Memorandum applicable for that Tranche/Series.
- B) Upon the occurrence and during the continuance of any of the following events and to the extent restricted from doing so in accordance with extant RBI directions, guidelines or regulations, the Company shall not make payment of the Coupon accrued during such period:
 - A. the Company fails to maintain the Capital to Risk-weighted Assets Ratio; or
 - B. payment of the Coupon would result in the Company's failure to maintain the Capital to Risk-weighted Assets Ratio.

The accrued Coupon shall be payable by the Company, with the prior approval of the RBI only, when the impact of payment of such Coupon results in net loss or increase in net loss but provided that the Company's capital to risk assets ratio remains above the Capital to Risk-weighted Assets Ratio or in accordance with the then prevailing RBI guidelines in this regard. Further, all instances of deferred payment of accrued Coupon as above shall be notified by the Company to the Regional Office of the Department of Non-Banking Supervision of the RBI in whose jurisdiction the Company is registered.

- C) The Coupon shall not be cumulative i.e., the Coupon missed in a year will not be paid in the future years. However, the Company may be allowed to pay the Coupon amount due and remaining unpaid in the subsequent financial years in the events specified in Note 1, Part B (b)(ii) (A) and (B) (Rate and manner of Payment) above, provided that the same is paid in compliance with the provisions of RBI regulations.
- D) It is clarified that subject to Applicable Law, the Company may issue PDIs (under any Tranche/Series) where the Coupon payable on such PDIs is linked to a benchmark. The details of such benchmark and the manner of payment of the Coupon applicable for such Tranche/Series shall be provided for in the relevant Tranche Placement Memorandum applicable for that Tranche/Series.
- E) The PDIs may have a step-up option of Coupon Rate not exceeding 100 bps, which may be exercised by the Company only once during the tenor of the PDIs and in any event after the expiry of 10 years from the Deemed Date of Allotment. In effect, the Coupon Rate in respect of any Series/Tranche may be stepped up by such bps as would be decided at the time of issuance of each tranche, but not exceeding 100 bps at any point in time) for subsequent years from the expiry of 10 years from the Deemed Date of Allotment till the redemption of the PDIs of that Series/Tranche. The details of such step up option shall be as specified in the relevant Tranche Placement Memorandum(s) issued in respect of that Series/Tranche.

Tax Deduction at Source (TDS)

No TDS shall be deducted on the interest received as these PDIs are issued compulsorily in demat mode. However, in case any PDI holder rematerializes the PDIs or holds in physical form normal TDS provisions will become applicable.

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Tax as applicable under the Income Tax Act, 1961 or under any other statutory modification or re-enactment thereof will be deducted at source on a coupon payment. Requisite certificate for tax deducted at source, as contemplated and/or required under the provisions of the Income Tax Act, 1961 from time to time, will be issued to the registered holders of the PDIs as per records on the Record Date as applicable. Tax exemption certificate/document (in duplicate), if any must be lodged at the office of the Company or the designated office of the Company prior to the Record date, as applicable.

Transferability

The PDIs issued will be freely transferable and transmittable. The PDIs shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/ CDSL/ Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these PDIs held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Issuer.

Payment on Redemption

Unless previously redeemed or purchased and cancelled as specified below, the PDIs of each Tranche/Series shall be redeemed at such price, at the expiry of the tenor and/or at the exercise of call option, if any, as mentioned in the respective Tranche Placement Memorandum.

The Company shall compute the redemption proceeds to be paid to the PDI Holder(s) of each Tranche/Series based on the respective Tranche Placement Memorandum. Upon dispatching the payment instrument towards payment of the redemption amount in respect of the PDIs of any Tranche/Series, the liability of the Company in respect of such Tranche/Series shall stand extinguished.

Effect of Holidays

Should the date of payment of any Coupon which is due in respect of the PDIs fall on a day other than a 'Business Day' the immediately succeeding Business Day shall be considered as the effective date(s) for that payment.

In the event that the date of payment of the redemption amounts in respect of the PDIs fall on a day other than a 'Business Day', the immediately preceding Business Day shall be considered as the effective date for that payment.

Succession

In the event of the demise of the sole/first holder of the PDIs or the last survivor, in case of joint holders for the time being, the Issuer shall recognize the executor or administrator of the deceased PDI Holder, or the holder of succession certificate or other legal representative as having title to the PDIs. The Issuer shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, wherever it is necessary, or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter. The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the PDIs standing in the name of the deceased PDI Holder on production of sufficient documentary proof or indemnity.

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Right to Accept or Reject Applications

The Company is entitled at its sole and absolute discretion to accept or reject any application, in part or in full, without assigning any reason thereof. Application Forms that are not complete in all respects may be rejected at the sole and absolute discretion of the Company. Any application, which has been rejected, would be intimated by the Company along with the refund warrant. The Investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to Issuer by the Deemed Date of Allotment.

Rights of PDI Holder(s)

PDI Holder is not a shareholder. The PDI Holders will not be entitled to any other rights and privilege of shareholders other than those available to them under statutory requirements. The principal amount and interest on the PDI will be paid to the registered PDI Holders only, and in case of joint holders, to the one whose name stands first. Besides, the PDIs shall be subject to the provisions of the terms of the Disclosure Documents and other terms and conditions as may be incorporated in the Trustee Agreement, the Trust Deed and other documents that may be executed in respect of the PDIs.

Record Date

The record date will be 15 (Fifteen) days prior to each interest payment/ principal repayment date.

Mode of Transfer/Transmission of PDIs

The PDIs shall be transferable freely; however, it is clarified that no investor shall be entitled to transfer the PDIs to a person who is not entitled to subscribe to the PDIs. The PDIs shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and the applicable law. The PDIs held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL and CDSL and the relevant DPs of the transferor or transferee and the Applicable Laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the register of PDI Holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these PDIs held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

Fictitious Applications

Any person who (i) makes in a fictitious name, an application to the Company for acquiring, or subscribing for any PDIs therein, or (ii) otherwise induces the Company to allot or register any transferor of PDIs therein to him or any other person in a fictitious name, shall be punishable under the extant laws. Fictitious applications will be rejected. Attention of applicants is specially drawn to the provisions of sub-section (1) of section 38 of the Companies Act, 2013.

Allotment Intimation

The Company has made depository arrangements with NSDL and CDSL for the issue of these PDIs in dematerialised form. The investors shall hold these PDIs in the dematerialised form and will be governed as per the provisions of the Depositories Act, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL and CDSL (as applicable) from time to time and other Applicable Laws and rules notified in respect thereof.

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Investors should mention their NSDL/ CDSL Depository Participant's name, DP-ID and Beneficiary Account Number at the appropriate place in the Application Form. The Company shall take reasonable steps to credit the beneficiary account of the allottee(s), with the NSDL/ CDSL Depository Participant as mentioned in the Application Form, with the number of PDIs allotted. The applicant is responsible for the correctness of its details given in the Application Form vis-à-vis those with its DP. In case the information is incorrect or insufficient, the Company would not be liable for losses, if any.

The Company shall credit the PDIs in the demat account of the investors as per the details furnished in the Application Form.

Consolidation of ISINs

So long as the terms and conditions of the existing securities of the Company (under the respective issues) in the International Securities Identification Number (ISIN) are not revised (i) otherwise than as may be required/permitted by regulations; or (ii) which results in breach of or violation of the regulations from time to time, which specifically precludes such revision, subject to Applicable Laws, the Company reserves the right/is entitled to add additional securities (for such additional amounts as may be issued by the Company from time to time) to the existing ISIN from time to time under such terms and conditions, which may / may not be different from the existing securities under the respective issues under the same ISIN. Such additional securities and their terms may be such as are permitted by regulations or not specifically precluded by regulations from time to time. Further, such additional securities may be issued from time to time at such issue price, either at par or at premium or at discount to arrive at the contracted effective yield from time to time.

Future Borrowings

The Company shall be entitled, from time to time, to make further issue of PDIs and or such other instruments to the public, members of the Company and/or avail of further financial and/or guarantee facilities from financial institutions, banks and/or any other person(s) on the security or otherwise of its properties without the consent of PDI holders.

Rights of PDI Holders

The PDI Holder will not be entitled to any rights and privileges of Shareholders other than those available to them under applicable statutory provisions. The PDIs shall not confer upon the PDI holder the right to receive notice, or to attend and vote at the general meetings of Shareholders of the Company.

PDIs in Dematerialised Form

The Company has made provisions with National Securities Depository Limited (NSDL) and Central Depository Services Ltd (CDSL) to issue the PDIs in dematerialised form to all successful applicants. All provisions relating to issue, allotment, transfer, transmission, etc. in respect of dematerialisation and rematerialisation of the PDIs will be as prescribed under the Depositories Act, 1996 and the rules by NSDL/CDSL would be applicable to these PDIs.

Modification of Rights

The Trustee shall concur with the Company (without requiring any approval of the PDI Holder(s)) in making any modifications in these presents which is essential and in the opinion of the Trustee would not be materially prejudicial to the interests of the PDI Holder(s), and to any modification of the terms of the PDIs or any of the other Transaction Documents which is of a formal, minor or technical nature or is to correct a manifest error. Any other change or modification to the terms of the PDIs or the Transaction Documents shall require approval by the PDI Holder(s) as set out in the Schedule II (Provisions for the meetings of the PDI Holder(s)) of the Trust Deed. Upon obtaining such approval, the Trustee and the Company shall give effect to the same by executing necessary deed(s) supplemental to these presents.

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Nominee Director

The Trustees shall have a right to appoint a nominee on the Board of Directors of the Company (hereinafter referred to as "the **Nominee Director**") in terms of the SEBI guidelines in the event of:

- a. two consecutive defaults in payment of interest to the PDI Holders; or
- b. default in redemption of PDIs.

KYC Compliance

The applications that do not conform to the KYC Norms issued by Reserve Bank of India for Banks, NBFCs and Financial Institutions are liable for rejection. The documents required to be produced are provided in the Application Form.

Succession

In the event of demise of the PDI Holder, the Company will recognize the executor or administrator of the deceased PDI Holder, or the holder of succession certificate or other legal representative as having title to the PDIs. The Company shall not be bound to recognize such executor, administrator or holder of the succession certificate or other legal representative as having title to the PDIs, unless such executor or administrator obtains probate of letter or administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a competent Court in India having jurisdiction over the matter. The Directors of the Company may, in their absolute discretion, where they think fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognise such holder as being entitled to the PDIs standing in the name of the deceased PDI Holder on production of sufficient documentary proof or indemnity.

Discount on the Offer Price

The PDIs may be issued for cash at par or at a discount to the offer price, as specified in the Tranche Placement Memorandum.

Trust Deed

The PDIs to be issued under the terms of this Shelf Placement Memorandum shall be governed by the terms of the Trust Deed dated February 05, 2021 executed by and between the Company and the Trustee as amended by the supplementary Trust Deed dated March 12, 2021 and amendment deed dated October 19, 2021. A copy of the Trustee Deed is available with the Trustee at its office in Mumbai.

Refund

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (Seven) Business Days from the Deemed Date of Allotment of the PDIs.

In case the Issuer has received money from the applicants for PDIs in excess of the aggregate of the application money relating to the PDIs in respect of which allotments have been made, the Registrar and Transfer Agent shall upon receiving instructions in relation to the same from the Issuer repay the monies to the extent of such excess, if any.

Loss of Interest Cheques/Refund Cheques

Loss of interest cheques/refund cheques should be intimated to the Company along with request for duplicate issue. The issue of duplicates in this regard shall be governed by applicable law and any other conditions as may be prescribed by the Company.

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SECTION N

SUMMARY TERM SHEET

The following is a summary of the terms of the Issue to the extent that they are applicable to each Tranche/Series. Since the terms for each Tranche/Series may be different, the specific terms of each Tranche/Series of PDIs to be issued under the Issue shall be specified in the relevant Tranche Placement Memorandum to be issued in respect of that Tranche/Series, which Tranche Placement Memorandum will also be filed with BSE.

Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year) e.g. 8.70% XXX 2015.	As per the relevant Tranche Placement Memorandum
Issuer	HDB Financial Services Limited
Type of Instrument	Unsecured, Rated, Listed, Perpetual Debt Instruments in the nature of Non-Convertible Debentures ("PDIs")
Nature of Instrument	Unsecured (Tier I Capital)
Seniority	i. Superior to the claims of investors in Equity Shares of the Company; and ii. Subordinated to the claims of all other creditors of the Company (<i>but pari-passu inter se the holders of the PDIs</i>)
Mode of Issue	Private placement
Eligible Investors	Please refer paragraph "Who can apply" of this Shelf Placement Memorandum
Listing	The PDIs are proposed to be listed on the Wholesale Debt Market (WDM) Segment of the BSE Ltd within a maximum period of 4 (Four) trading days from the respective Issue Closing Date. In accordance with the SEBI Debt Listing Regulations, in case of a delay by the Company in listing the PDIs beyond 4 (Four) trading days from the respective Issue Closing Date, the Company shall (i) make payment to the PDI Holders of 1% (One Percent) per annum over the Coupon Rate from the Deemed Date of Allotment till the listing of such PDIs; and (ii) be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after having received final listing approval from BSE in respect of the listing.
Rating of the Instrument	CARE Ratings Ltd has assigned a "CARE AAA; Stable" (pronounced "CARE Triple A with stable outlook") and CRISIL Ratings Limited has assigned a "CRISIL AAA/Stable" (pronounced "CRISIL Triple A with stable outlook"), to the PDIs issue programme aggregating upto Rs.500 Crore, of the Company. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.
Issue Size	The aggregate size of the Issue is for upto Rs. 500,00,00,000/- (Rupees Five Hundred Crore only) which Issue shall comprise of one or more Tranches of PDIs.
Minimum Subscription	Rs.1,00,00,000/- (Rupees One Crore Only) i.e. 1 PDI
Option to retain oversubscription (Amount)	As per the relevant Tranche Placement Memorandum
Objects of the Issue/ Purpose for which there is requirement of funds	As per the relevant Tranche Placement Memorandum
The Issuer shall provide granular	

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disclosures in their placement memorandum, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".	
Details of the utilization of the Proceeds.	As per the relevant Tranche Placement Memorandum
In case the Issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format	The proceeds of the Issue will not be utilised for providing loans to any group company.
Consolidation of ISINs	The Company shall have the right/shall be entitled to add additional securities (for such additional amounts as may be issued by the Company from time to time) to the existing ISINs from time to time in accordance with the terms as set out in this Shelf Placement Memorandum and with Applicable Law.
Coupon Rate	As per the relevant Tranche Placement Memorandum
Step Up/Step Down Coupon Rate	As per the relevant Tranche Placement Memorandum. The PDIs may have a step-up option of up to 100 bps, which may be exercised only once during the tenor of the PDIs and in any event after the expiry of 10 years from the Deemed Date of Allotment. In effect, the Coupon Rate may be stepped up by up to 100 bps for subsequent years from the expiry of 10 years from the Deemed Date of Allotment till the redemption of the PDIs.
Coupon Payment Frequency	As per the relevant Tranche Placement Memorandum
Coupon Payment Dates	As per the relevant Tranche Placement Memorandum
Coupon Type	As per the relevant Tranche Placement Memorandum
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.).	As per the relevant Tranche Placement Memorandum
Day Count Basis	As per the relevant Tranche Placement Memorandum
Interest on Application Money	The Company shall be liable to pay the PDI Holder(s) interest on application money as more particularly specified in the relevant Tranche Placement Memorandum for each Tranche/Series.
Default Interest Rate	<p>In case of default in payment of Coupon and/ or redemption of the principal amount of the PDIs on the respective due dates, additional interest of at least 2% (Two Percent) per annum over and above the Coupon Rate shall be payable by the Company for the defaulting period until the defaulted amount together with the delay penalty is paid.</p> <p>Where the Company fails to execute the trust deed within the period specified by SEBI, then without prejudice to any liability arising on account of violation of the provisions of the Securities and Exchange Board of India Act, 1992 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Company shall also pay interest of at least 2% (Two Percent) per annum or such other rate, as specified by SEBI to the PDI Holders, over and above the Coupon Rate, till the execution of the Trust Deed.</p>
Tenor	As per the relevant Tranche Placement Memorandum

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Redemption Date	As per the relevant Tranche Placement Memorandum
Redemption Amount	As per the relevant Tranche Placement Memorandum
Redemption Premium/ Discount	As per the relevant Tranche Placement Memorandum
Issue Price	As per the relevant Tranche Placement Memorandum
Discount at which security is issued and the effective yield as a result of such discount.	As per the relevant Tranche Placement Memorandum
Put Option Date	As per the relevant Tranche Placement Memorandum
Put Option Price	As per the relevant Tranche Placement Memorandum
Call Option Date	As per the relevant Tranche Placement Memorandum
Call Option Price	As per the relevant Tranche Placement Memorandum
Put Notification Time	As per the relevant Tranche Placement Memorandum
Call Notification Time	<p>As per the relevant Tranche Placement Memorandum</p> <p>(i) The Company shall send a notice to the PDI Holder(s) with respect to a particular Tranche/Series in writing (with a copy marked to the Trustee) at least 21 (Twenty One) calendar days prior to the relevant Call Option Date, communicating either (a) the intent of the Company to exercise the Call Option on the Call Option Date or (b) the intent of the Company not to exercise the Call Option on the Call Option Date ("Call Option Notice"). Provided however that prior to the issue of such Call Option Notice, the Company shall have obtained the approval in writing of the RBI for the exercise of such Call Option.</p> <p>(ii) Upon the issuance of the Call Option Notice by the Company and if the Company has in the Call Option Notice indicated its intention to exercise the Call Option on the Call Option Date, the Company shall on the Call Option Date, redeem the PDIs by crediting to the beneficiary account of the PDI Holder(s), the Redemption Amount or the relevant proportion of the Redemption Amount as specified in the Tranche Placement Memorandum, in respect of the PDIs.</p>
Rollover Option	As per the relevant Tranche Placement Memorandum
Face Value	Rs. 1,00,00,000/- (Rupees One Crore Only) per PDIs
Minimum Application and in multiples of ___ Debt securities thereafter	1 PDI and in multiples of 1 PDI thereafter.
Issue Timing	As per the relevant Tranche Placement Memorandum
Issue/ Bid Opening Date	As per the relevant Tranche Placement Memorandum
Issue/ Bid Closing Date	As per the relevant Tranche Placement Memorandum
Date of earliest closing of the issue, if any.	As per the relevant Tranche Placement Memorandum
Pay-in Date	As per the relevant Tranche Placement Memorandum
Deemed Date of Allotment	<p>As per the relevant Tranche Placement Memorandum</p> <p>The Deemed Date of Allotment for each Tranche/Series will be mentioned in the respective Tranche Placement Memorandum issued in respect of such Tranche/Series. All benefits relating to the PDIs will be available to the investors from the respective Deemed Date(s) of Allotment. The actual allotment of PDIs may take place on a date other than the Deemed Date of Allotment. The Company reserves the right to keep multiple allotment date(s)/ deemed date(s) of allotment at its sole and absolute discretion without any notice.</p>

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	The Deemed Date of Allotment may be changed (advanced/ postponed) by the Company at its sole and absolute discretion.
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	<p>The pay-in of subscription monies for the PDIs shall be made by way of transfer of funds from the bank account(s) of the eligible investors (whose bids have been accepted) as registered with the EBP into the account of the relevant clearing corporation, as specified below, in accordance with the procedure and timelines prescribed in the Electronic Book Mechanism Guidelines and the Operational Guidelines of the EBP.</p> <p>For amounts payable by the Issuer to any PDI Holder pursuant to the terms of the Transaction Documents, Cheque(s)/ electronic clearing services (ECS)/credit through RTGS system/funds transfer to the specified bank account of the PDI Holder shall be the mode of settlement.</p>
Depository(ies)	NSDL and CDSL
Business Day	Means any day of the week (excluding non-working Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) (as may be amended/supplemented from time to time) in Mumbai and any other day on which banks are closed for customer business in Mumbai) on which the money market is functioning in Mumbai and "Business Days" shall be construed accordingly.
Business Day Convention	<p>If any Coupon Payment Date in respect of a relevant Tranche/ Series falls on a day which is not a Business Day, then the immediately succeeding Business Day shall be the due date for such payment, however, the dates of the future Coupon payments in respect of such relevant Tranche/Series would be as per the schedule originally stipulated in the relevant Tranche Placement Memorandum. In other words, the subsequent Coupon payment schedule would not be disturbed merely because the payment date in respect of one particular Coupon payment has been postponed earlier because of it having fallen on non-Business Day.</p> <p>If the Redemption Date (including the last Coupon Payment Date) or the due date in respect of liquidated damages (if any) and all other monies payable under a Tranche/ Series falls on a day which is not a Business Day, then the immediately preceding Business Day shall be the due date for such payment.</p>
Disclosure of Interest/Dividend / redemption dates	As per the relevant Tranche Placement Memorandum
Record Date	The date which will be used for determining the PDI Holder(s) who shall be entitled to receive the amounts due on any due date, which shall be the date falling 15 (Fifteen) calendar days prior to any due date.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	As set out in Note 1 below
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/likely date of	Not Applicable, as the Issue is Unsecured

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creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/Shelf Placement Memorandum.	
Transaction Documents	This Shelf Placement Memorandum, Tranche Placement Memorandum, Trust Deed, Trustee Agreement and the Private Placement Offer Cum Application Letter, as amended from time to time, and any other document that may be designated by the Trustee as a Transaction Document.
Conditions Precedent to Disbursement	As per the relevant Tranche Placement Memorandum
Conditions Subsequent to Disbursement	As per the relevant Tranche Placement Memorandum
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	As per Note 2 below.
Creation of recovery expense fund	<p>Details and purpose of the recovery expense fund:</p> <p>i. The Company shall maintain Recovery Expense Fund as per the provisions of SEBI (Debenture Trustees) Regulations, 1993 and any circulars, guidelines and regulations issued by SEBI, as applicable. The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the security (if any) in accordance with the transaction documents.</p> <p>ii. <u>Creation of Recovery Expense Fund</u>: The Company shall deposit cash or cash equivalents including bank guarantees towards the contribution to Recovery Expense Fund with the designated stock exchange and submit relevant documents evidencing the same to the Trustee from time to time. The Company shall ensure that the bank guarantees remains valid for a period of six months post the maturity date of the PDIs. The Company shall keep the bank guarantees in force and renew the bank guarantees at least seven working days before its expiry, failing which the designated stock exchange shall invoke such bank guarantee.</p> <p>iii. <u>Utilisation of Recovery Expense Fund</u>: In the event of default, the Trustee shall obtain the consent of PDI Holders for enforcement of security (if any) and shall inform the same to the designated stock exchange. The amount lying in the Recovery Expense Fund shall be released by the designated stock exchange to the Trustee within five working days of receipt of such intimation. The Trustee shall keep a proper account of all expenses incurred out of the funds received from Recovery Expense Fund.</p> <p>iv. <u>Refund of Recovery Expense Fund to the Company</u>: The balance in the Recovery Expense Fund shall be refunded to the Company on repayment to the PDI Holders for</p>

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	which a 'No Objection Certificate (NOC)' shall be issued by the Trustee(s) to the designated stock exchange. The Trustee shall satisfy that there is no 'default' on any other listed debt securities of the Company before issuing the NOC.
Conditions for breach of covenants (as specified in Trust Deed)	As set out under the head " All covenants of Issue " and " Events of Default " above.
Provisions related to Cross Default Clause	As per the relevant Tranche Placement Memorandum
Role and Responsibilities of Trustee	To oversee and monitor the overall transaction for and on behalf of the PDI Holders as customary for transaction of a similar nature and size and as executed under the appropriate Transaction Documents.
Risk factors pertaining to the Issue	As per the " Risk Factors " mentioned in Section O below.
Governing Law and Jurisdiction	The Issue shall be governed by and construed in accordance with Indian Law. The courts and tribunals in Mumbai shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the PDIs or the Transaction Documents.
Mode of bidding in the issue	As per the relevant Tranche Placement Memorandum
Manner of settlement	As per the relevant Tranche Placement Memorandum
Settlement cycle	As per the relevant Tranche Placement Memorandum
Manner of allotment	As per the relevant Tranche Placement Memorandum
Minimum Bid Lot	Rs.1,00,00,000 (Rupees One Crore Only) and in the Multiples of Rs. 1,00,00,000/- (Rupees One Crore Only) thereafter.
Terms and conditions of trustee agreement including fees charged by trustees(s), details of security to be created and process of due diligence carried out by the trustee	<p>Please refer to Annexure VI below.</p> <p>Due diligence on continuous basis</p> <ol style="list-style-type: none"> i. The Trustee shall carry out due diligence on continuous basis to ensure compliance by the Company, with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Debenture Trustee) Regulations, 1993, the listing agreement of the stock exchange(s) where the PDIs are listed, this Deed and any other regulations issued by SEBI pertaining to debt issuance. ii. For the purpose of carrying out the due diligence as required in terms of the SEBI Debenture Circulars, the Trustee, either through itself or through its authorised agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical experts/management consultants appointed by the Trustee. iii. The Company shall promptly disclose and furnish to the Trustee, all documents/ information about or in relation to the Company or the PDIs, as requested by the Trustee to fulfil its obligations hereunder or to comply with any Applicable Law, including in relation to filing of its reports/ certification to stock exchange within

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	<p>the prescribed timelines.</p> <p>iv. the Company shall submit documents/ information as the Trustee may require to conduct continuous and periodical due diligence and, if applicable, monitoring of Security created/assets on which security interest/ charge is created, which shall inter alia include –</p> <ul style="list-style-type: none"> a) periodical status/ performance reports from the Company within seven days of the relevant board meeting of the Company or within 45 days of the respective quarter, whichever is earlier; b) details with respect to defaults, if any, with regard to payment of interest or redemption of PDIs; c) details with respect to the implementation of the conditions regarding debenture redemption reserve and Recovery Expense Fund; d) if applicable, details with respect to the assets of the Company and of the guarantors, if any, to ensure that they are sufficient to discharge the interest and principal amount at all times and that such assets are free from any other encumbrances except those which are specifically agreed to by the debenture holders; e) reports on the utilization of funds raised by the issue of PDIs; f) details with respect to conversion or redemption of the PDIs; g) details with respect to dispatch of the debenture certificates and interest warrants (wherever applicable), credit of the PDIs in the demat account of the PDI Holders and payment of monies upon redemption of PDIs to the PDI Holders due to them within the stipulated time period in accordance with the Applicable Law. h) if applicable, reports from the lead bank regarding the progress of the project; i) details regarding monitoring of utilisation of funds raised in the issue of PDIs; j) certificate from the statutory auditors of the Company: <ul style="list-style-type: none"> i. in respect of utilisation of funds during the implementation period of the project; and ii. in the case of debentures issued for financing working capital, at the end of each accounting year. k) such other documents or information as may be required by the Trustee in accordance with the Applicable Law. <p>v. The Company shall –</p> <ul style="list-style-type: none"> a) provide such documents/information and assistance to the Debenture Trustee as required by the Debenture Trustee to carry out the necessary due diligence and monitor the asset
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cover on a quarterly basis in the manner as may be specified by SEBI from time to time;

- b) submit a certificate from the statutory auditor on a half-yearly basis, giving the value of receivables/book debts, and maintenance of asset cover as per the terms of Offer Document/ Information Memorandum and/or this Deed including compliance with the covenants of the Offer Document/Information Memorandum in the manner as may be specified by the Board from time to time.

vi The Company shall submit the following reports/ certification to the Trustee within the timelines mentioned below:

Reports/Certificates	Timelines for submission Requirements to Trustee	TimeLine for submission of reports/ certifications by Trustee
Asset cover Certificate	Quarterly basis within 30 days from end of each quarter or within such timelines as prescribed under Applicable Law	Quarterly basis within 60 days from end of each quarter or within such timelines as prescribed under Applicable Law
A statement of value of pledged securities		
A statement of value for Debt Service Reserve Account or any other form of security offered (if any)		
Net worth certificate of guarantor (secured by way of personal guarantee)	Half yearly basis within 30 days from end of each half-year or within such timelines as prescribed under Applicable Law	Half yearly basis within 60 days from end of each half-year or within such timelines as prescribed under Applicable Law.
Financials/value of guarantor prepared on basis of audited financial statement etc. of the guarantor(secured by way of corporate guarantee)	Annual basis within 45 days from end of each financial year or within such timelines as prescribed under Applicable Law.	Annual basis within 75 days from end of each financial year or within such timelines as prescribed under Applicable Law.
Valuation report and title search report for the immovable/movable assets, as applicable		

vii. The Trustee may at any time through its authorized representatives and agents,

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	inspect books of account, records, registers of Company and the trust property to the extent necessary for discharging its obligations and the Company shall provide full and unimpeded access to the records, registers and books of accounts and facilitate in the inspection and due diligence process. Any reasonable and actual fees, costs expenses incurred in conducting such inspection/due diligence process shall be fully borne by the Company. In the event, any fees, costs expenses are borne by the Trustee, it shall be reimbursed forthwith by the Company upon request."
The Issuer shall maintain hundred per cent. Asset cover sufficient to discharge the principal amount at all times for the non-convertible debt securities issued. The Company shall provide a half-yearly certificate regarding maintenance of hundred percent asset cover including compliance with all the covenants, in respect of listed non-convertible debt securities, by the statutory auditor, along with the financial results.	

General Notes:

- a. If there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change should be disclosed.
- b. The list of documents which has been executed in connection with the issue and subscription of debt securities shall be annexed

Note 1: COVENANTS

(A). AFFIRMATIVE AND REPORTING COVENANTS

The Company hereby covenants with the Trustee that the Company shall, (except as may otherwise be previously agreed in writing by the Trustee (acting upon the instructions of the Majority PDI Holders), undertakes to comply with the following covenants:

(a) Utilisation of proceeds of PDIs

- (i) The Company shall utilise the monies received upon subscription of the PDIs solely towards the Purpose (as defined below). The Company also agrees to submit to the Trustee an annual 'end-use certificate' from the statutory auditor of the Company certifying the compliance with the same, within 60 (Sixty) days from the end of each financial year till the monies received towards subscription of the PDIs have been fully utilized towards the Purpose.
- (ii) The Company shall, within 45 (Forty-Five) days from the end of every quarter, submit to the stock exchange, a statement indicating utilization of issue proceeds of non-convertible securities, which shall be continued to be given till such time the issue proceeds have been fully utilized or the purpose for which these proceeds were raised has been achieved.
- (iii) In case of any material deviation in the use of proceeds as compared to the objects of the Issue, the same shall be indicated in the format as specified by SEBI.

(b) Validity of Transaction Documents

Ensure that the Transaction Documents shall be validly executed and delivered and will continue in full force and effect and will constitute valid, enforceable and binding obligations of the Company.

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(c) Make the Relevant filings with the Registrar of Companies/SEBI

Pursuant to the Act and the relevant rules thereunder, the applicable guidelines issued by SEBI and RBI, the Company undertakes to make the necessary filings of the documents mandated therein with the Registrar of Companies and/or SEBI and/or RBI and/or the Exchange within the timelines thereunder to preserve, renew and keep in full force and effect its existence and/or its rights necessary for the operation of its business and/or the legality and validity of any Transaction Documents and/or the transactions contemplated by the Transaction Documents.

(d) The Company shall ensure that the minimum investment made in any single tranche by any investor is at least Rs.1,00,00,000/- (Rupees One Crore only).

(e) Compliance with laws

The Company shall comply with:

- (i)** all laws, rules, regulations and guidelines (including the Act) as applicable in respect to the PDIs, and obtain such regulatory approvals as may be required from time to time, including but not limited, in relation to the following (i) the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and the "Securities and Exchange Board of India's Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 (bearing reference no. SEBI/HO/DDHS/P/CIR/2021/613, as may be in force from time to time during the currency of the PDIs; (ii) the provisions of the listing agreement entered into by the Company with the stock exchange in relation to the PDIs including the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), and (iii) the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the other notified rules under the Act;
- (ii)** comply with all the applicable provisions as mentioned in the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Act, the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, and/or any other notification, circular, press release issued by the SEBI/RBI, from time to time.
- (iii)** The Company shall forward the details of PDI Holders to the Trustee at the time of allotment and/or cause the registrar to the Issue and share transfer agent to forward the details of PDI Holders to the Trustee by the 7th (Seventh) working day of every next month in order to enable Trustee to keep its records updated and to communicate effectively with the PDI Holders, especially in situations where Events of Default are triggered.

(f) Notify the Trustee

The Company shall provide / cause to be provided information in respect of the following events:

- (i)** notify the Trustee in writing, of any proposed change in the nature or conduct or scope of the business or operations of the Company, prior to the date on which such action is proposed to be given effect.
- (ii)** inform the Trustee of any major change in the composition of its Board of Directors.

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- (iii) inform the Trustee promptly of any amalgamation, merger or reconstruction scheme proposed by the Company.
- (iv) the Company agrees that it shall forward to the Trustee promptly, whether a request for the same has been made or not:
 - A. a copy of the Statutory Auditors' and Directors' Annual Report, Balance Sheet and Profit & Loss Account and of all periodical and special reports at the same time as they are issued;
 - B. a copy of all notices, resolutions and circulars relating to new issue of debt securities at the same time as they are sent to shareholders/ holders of debt securities; and
 - C. a copy of all the notices, call letters, circulars, etc. of the meetings of debt security holders at the same time as they are sent to the holders of debt securities or advertised in the media.

(g) Furnish Information to Trustee

Give to the Trustee or their nominee(s) (and to the PDI Holder(s), if so requested), information in respect of the following events:

- (i) Furnish quarterly (unless specified otherwise, in which case, reports shall be submitted according to the specified timeline) reports to the Trustee (and to the PDI Holders), containing the following particulars: -
 - A. Periodical status/performance reports from the Company within 7 (Seven) days of the relevant board meeting or within 45 (Forty Five) days of the respective quarter, whichever is earlier
 - B. Updated list of the names and addresses of the PDI Holder(s);
 - C. Details of the Coupon to be made, but unpaid and reasons for the non-payment thereof;
 - D. The number and nature of grievances received from the PDI Holder(s) and (a) resolved by the Company, (b) unresolved by the Company to the satisfaction of the PDI Holder(s) and the reasons for the same;
 - E. Promptly and expeditiously attend to and redress the grievances, if any, of the PDI Holder(s). The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Trustee and shall advise the Trustee periodically of its compliance.
 - F. Statement that the quarterly compliance report on corporate governance (if applicable) has been submitted to the Stock exchange, in the format prescribed by SEBI, within the timelines prescribed in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (ii) The Company shall provide to the Trustee such information as it may require for any filings, statements, reports that the Trustee is required to provide to any governmental authority under Applicable Law.
- (h) The Company shall provide or cause to be provided the latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any to the Trustee within the timelines as mentioned in the Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009/ Uniform

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Listing Agreement as prescribed in SEBI's circular no. CFD/CMD/6/2015 dated October 13, 2015 as amended from time to time, for furnishing / publishing its half yearly/ annual results;

- (i) The Company shall provide or cause to be provided, within 180 (One Hundred and Eighty) days from the end of the financial year, a copy of the latest annual report and the latest audited financial statements to the Trustee and the Trustee shall be obliged to share the details submitted under this clause with all PDI Holders within 2 (Two) working days of their specific request;
- (j) The Company shall submit the following disclosures to the Trustee in electronic form (soft copy) at the time of allotment of the PDIs:
 - (i) Memorandum and Articles of Association and necessary resolution(s) for the allotment of the PDIs;
 - (ii) Copy of last three years' audited Annual Reports;
 - (iii) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
 - (iv) Latest un-audited or audited quarterly and year to year standalone financial results on a quarterly basis on the same day as disclosed to the Stock Exchange in the manner as stated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (v) An undertaking to the effect that the Company would, till the redemption of the debt securities, submit the details mentioned in point (iv) above to the Trustee within the timelines as mentioned in Uniform Listing Agreement issued by SEBI vide circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015 as amended from time to time, for furnishing/publishing its half yearly/ annual result. Further, the Company shall submit a copy of the latest annual report to the Trustee, as and when the same is submitted to the BSE within the timeframe permitted under Applicable Law.
- (k) The Company shall not declare or pay any dividend to its shareholders during any financial year unless it has paid the Coupon then due and payable on the PDIs, or has made provision satisfactory to the Trustee for making such payment. Further, the Company shall not without prior consent of the Trustee, so long as an Event of Default has occurred or is continuing declare or distribute dividend to the shareholders in any year, until the Company has paid or made satisfactory provision for the payment of the principal and interest due on the PDIs.
- (l) The Company shall submit a half-yearly certificate by the statutory auditor, regarding maintenance of hundred percent asset cover, including compliance with all the covenants, in respect of the PDIs, along with the financial results.
- (m) The Company shall promptly submit any information, as required by the Trustee including but not limited to the following: -
 - (i) such documents and intimations as set out in Regulation 56 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - (ii) by no later than 30 (thirty) days from the relevant Deemed Date of Allotment, a certificate signed by an authorised officer of the Company confirming credit of dematerialized PDIs into the depository accounts of the PDI Holder(s) within the time-lines prescribed by the Applicable Laws;

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(iii) intimations regarding:

- A. all material events and/or information as disclosed to the Stock Exchange under Regulation 51 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in so far as it relates to the interest, principal, issue and terms of the PDIs, rating, creation of charge on the assets, notices, resolutions and meetings of holders of PDIs, at the same time as disclosed to the Stock Exchange;
- B. any revision in the rating;
- C. any default in timely payment of interest or redemption or both in respect of the non-convertible PDIs;
- D. all covenants of the Issue (including side letters, accelerated payment clause, etc.)
- E. a breach of covenants/ terms of the Issue by the Company.;
- F. any legal proceeding pending or threatened, investigation, regulatory notices or judicial orders against the Company, or any dispute between the Company and/or any Governmental Authority, which could result in a Material Adverse Effect

(n) Transfer of unclaimed Redemption Amounts.

Comply with the provisions of the Act relating to transfer of unclaimed redemption and Coupon amounts of the PDIs to Investor Education and Protection Fund ("IEPF"), if applicable to it.

(o) Financial Covenants and Conditions

At all times during the term of these presents comply with each of the Financial Covenants and Conditions.

- (p)** The Company is aware that in terms of Regulation 14 of the SEBI (Debenture Trustees) Regulations, 1993 as amended from time to time, the Trust Deed has to contain the matters specified in Section 71 of the Companies Act, 2013 and Form No. SH.12 specified under the Companies (Share Capital and Debentures) Rules, 2014. The Company hereby agrees to comply with all the clauses of Form No. SH.12 as specified under the Companies (Share Capital and Debentures) Rules, 2014 to the extent applicable to it as if they are actually and physically incorporated herein in the Trust Deed;
- (q)** Within 15 (Fifteen) Business Days of receipt of a request from the Trustee, the Company shall authenticate any information relating to the PDIs, to be submitted by the Trustee with the Information Utility.
- (r)** The Company shall submit to the Trustee, such information as may be required by the Trustee from time to time for the effective discharge of its duties and obligations.
- (s)** The Company shall carry on and conduct its business with due diligence and efficiency and in accordance with sound operational, technical, managerial and financial standards and business practices with qualified and experienced management and personnel;
- (t)** The Company shall keep proper books of account as required by the Act and make true and proper entries of all dealings and transactions of the business of the Company and keep the said books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by law, at other place or places where the books of account and documents of a similar nature may be kept and the Company will ensure that all entries in the same relating the business of the Company shall at all reasonable times be open for inspection of the Trustee and such Person or Persons as the Trustee shall, from time to time, in writing for the purpose, appoint;

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- (u) The Company shall pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Company may be required to pay in relation to the PDIs issued under the Trust Deed according to the laws for the time being in force in the State of Maharashtra, and in the event of the Company failing to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Trustees on demand;
- (v) The Company shall reimburse all sums paid or expenses incurred by the Trustees or any receiver, attorney, manager, agent or other Person appointed by the Trustees for all or any of the purposes mentioned in these presents within 15 (Fifteen) days of receipt of a notice of demand from them in this behalf;
- (w) The Company shall ensure that the PDIs are rated by the Rating Agencies and continue to be rated by the Rating Agencies until their redemption;
- (x) **Notify the Trustee**
 - (i) Promptly inform the Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up under the Act or the Insolvency and Bankruptcy Code, 2016 or any other notice under any other act relation to winding up or otherwise of any suit or other legal process intended to be filed or initiated against the Company and/affecting the title to the Company's properties or if a receiver is appointed in respect of any of its properties or business or undertaking;
 - (ii) Promptly inform the Trustee on the happening of any event which is likely to cause/ has caused Material Adverse Effect.
 - (iii) Promptly after the Company obtains knowledge thereof, notice of the occurrence of any event which constitutes an Event of Default specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same;
- (y) The Company shall, on receiving appropriate notice from the Trustee permit the Trustee to inspect the registers maintained by the Company and to take necessary extracts of the same;
- (z) The Company hereby undertakes that it shall make suitable disclosures in its annual reports about:
 - (i) Amount of funds raised through PDIs during the year and outstanding at the close of the financial year;
 - (ii) Percentage of the amount of PDIs of the amount of its Tier I Capital;
 - (iii) The financial year in which Coupon on PDIs have not been paid in accordance with **Clause (b) (ii) (Rate and Manner of Payment) of Part B** below;
- (aa) **Preserve Corporate Status**

The Company shall diligently preserve its corporate existence and status and all rights, contracts, privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business PROVIDED THAT the Company may contest in good faith the validity of any such acts, rules, regulations, orders and directions and pending the determination of such contest may postpone compliance therewith if the rights enforceable under the PDIs is not thereby materially endangered or impaired. The Company will not do or voluntarily suffer or permit to

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be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the Coupon on the PDIs might or would be hindered or delayed;

(bb) Further Assurances

The Company shall:

- (i) execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Trustee may reasonably or by law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Trustee;
- (ii) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it lawfully to enter into and perform its obligations under the Trust Deed or to ensure the legality, validity, enforceability or admissibility in evidence in India of the Trust Deed; and
- (iii) comply with all Applicable Laws (including but not limited to environmental, social and taxation related laws), as applicable in respect of the PDIs and obtain such regulatory approvals as may be required from time to time under any Applicable Laws.

(B). FINANCIAL COVENANTS AND CONDITIONS

(b) PDIs TO RANK *PARI PASSU*

The PDIs under each Tranche/Series shall rank *pari passu*, inter se, without any preference or priority of one over the other or others of them.

(c) Redemption

The Outstanding Principal Amount of the PDIs, together with accrued but unpaid Coupon and additional interest, if any, may be redeemed by the Company only on a Call Option Date by exercising Call Option or upon the acceleration of the PDIs pursuant to occurrence of any Event of Default, subject however to the prior approval in writing of the RBI. The PDIs will not carry any obligation, for Coupon or otherwise, after redemption has occurred and all amounts due have been paid.

(d) Call Option

- (i) The date of payment of the Redemption Amount or the relevant proportion of the Redemption Amount as specified in the Tranche Placement Memorandum pursuant to the exercise of the Call Option shall be at the expiry of such months from the Deemed Date of Allotment as specified in the relevant Tranche Placement Memorandum ("**Call Option Date**").
- (ii) The Company shall send a notice to the PDI Holder(s) with respect to a particular Series in writing (with a copy marked to the Trustee) at least 21 (Twenty One) calendar days prior to the relevant Call Option Date, communicating either (a) the intent of the Company to exercise the Call Option on the Call Option Date or (b) the intent of the Company not to exercise the Call Option on the Call Option Date ("**Call Option Notice**"). Provided however that prior to the issue of such Call Option Notice, the Company shall have obtained the approval in writing of the RBI for the exercise of such Call Option.
- (iii) The Company shall also provide a copy of the Call Option Notice to the Stock Exchange and shall publish the Call Option Notice in an English national daily and regional daily having wide circulation at the place where the

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registered office of the Company is situated, indicating the details of such rights, including the Call Option Date, and whether the Company intends to or does not intend to, exercise the Call Option on the Call Option Date.

- (iv) Upon the issuance of the Call Option Notice by the Company and if the Company has in the Call Option Notice indicated its intention to exercise the Call Option on the Call Option Date, the Company shall on the Call Option Date, redeem the PDIs by crediting to the beneficiary account of the PDI Holder(s), the Redemption Amount or the relevant proportion of the Redemption Amount as specified in the Tranche Placement Memorandum, in respect of the PDIs.
- (v) The Company shall also pay interest at the rate of 15% (Fifteen Percent) per annum for the period of delay in making payment of the Redemption Amount or the relevant proportion of the Redemption Amount as specified in the Tranche Placement Memorandum on the Call Option Date if the Company has exercised its Call Option and any other period of delay, if any, as per the terms of and in accordance with the SEBI Debt Listing Regulations.
- (vi) If the Company has exercised its Call Option right, then after the completion of such exercise of the right of Call Option, the Company shall submit the report to the Stock Exchange and inform the Trustee and the Depositor-ies, in the manner and upon the terms and conditions as set out in the SEBI Debt Listing Regulations.

(e) Premature Redemption

- I. The Company shall not redeem the Outstanding Principal Amount of the PDIs in full or in part, before the Call Option Date.
- II. It is hereby clarified that, in the event the Company is required to redeem/ repay the Outstanding Principal Amount of the PDIs in full or in part, before the Call Option Date, due to change in Applicable Laws or under the terms of the Trust Deed including on the occurrence of an Event of Default, the Company shall ensure that it shall obtain all requisite approvals, if any, of the RBI and such redemption and payment shall be subject to receipt of such approvals, as applicable.

(f) Application of Payments

The Trustee shall hold UPON TRUST the monies, received by it from the Company for the benefit of the PDI Holders and unless otherwise agreed to by the PDI Holders, any payments due and payable to the PDI Holders and made by the Company shall be applied towards such dues in the following order, viz.:-

- (i) Firstly, towards costs, charges and expenses incurred by the Trustee in accordance with the terms of the Trust Deed;
- (ii) Secondly, towards additional interest (if any, in terms of the Trust Deed);
- (iii) Thirdly, towards Coupon; and
- (iv) Lastly, towards redemption of the PDIs, due and payable under the Trust Deed.

(g) Payments

- 1. Payment of the Outstanding Principal Amount and the Coupon will be made to the registered PDI Holder(s)/Beneficial Owner(s) and in case of joint holders to the one whose name stands first in the in the list of Beneficial Owner(s) provided to the Company by the RTA / Depository (NSDL/ CDSL) on the Record Date. Such payments

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shall be made by cheque or warrant drawn by the Company on its bankers or by electronic mode viz. RTGS / NECS, as the case may be.

2. If the Due Date for payment of Coupon in respect of a relevant Series/Tranche falls on a day that is not a Business Day, then the Due Date in respect of such payment shall be on the immediately succeeding Business Day; however, the dates of the future Coupon payments in respect of such relevant Series would be as per the schedule originally stipulated in the relevant Tranche Placement Memorandum. In other words, the subsequent Coupon payment schedule would not be disturbed merely because the payment date in respect of one particular Coupon payment has been postponed earlier because of it having fallen on non-Business Day.
3. If any other Due Date for all other monies payable under the Trust Deed falls on a day that is not a Business Day then the immediately preceding Business Day shall be the Due Date for such payment.

(h) Taxation

- (i) As per the existing tax laws, tax will be deducted at source at the time of actual payment of Coupon to the PDI Holder(s) at the rate for the time being prescribed by the Income-tax Act, 1961.
- (ii) The Company shall deliver to the PDI Holder(s), evidence or certificate of the taxes deducted at source within the time frame prescribed under the law.
- (iii) For seeking TDS exemption / lower rate of TDS, relevant certificate / document must be lodged by the PDI Holder(s) at the corporate office of the Company at least 15 (Fifteen) days before the interest payment becoming due. Tax exemption certificate / declaration of non-deduction of tax at source on interest on application money should be submitted along with the application form.

(i) Additional Interest

- (i) In case of default in payment of Coupon and/ or redemption of the principal amount of the PDIs on the respective Due Dates, additional interest of at least 2% (Two Percent) per annum over and above the Coupon Rate shall be payable by the Company for the defaulting period until the defaulted amount together with the delay penalty is paid, in compliance with SEBI Debt Listing Regulations. Notwithstanding anything contained herein, it is hereby expressly clarified that any non-payment of Coupon or of any other payment payable pursuant to the Trust Deed by the Company, pursuant to the provisions of the RBI guidelines (including any non-payment of Coupon pursuant to the events identified in Note 1, Part B(b)(ii) (*Rate and Manner of Payment*) above), shall not be construed to be a default in payment and in such events the Company will not be required to pay the additional interest as contemplated in this clause.
- (ii) Where the Company fails to execute the trust deed within the period specified by SEBI, then without prejudice to any liability arising on account of violation of the provisions of the Securities and Exchange Board of India Act, 1992 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Company shall also pay interest of at least 2% (Two Percent) per annum or such other rate, as specified by SEBI to the PDI Holders, over and above the Coupon Rate, till the execution of the Trust Deed.

(j) Transfer of PDIs

- (i) The PDIs shall be freely transferable and transmittable by the PDI Holder(s) in whole or in part without the prior consent of the Company when made in accordance with the Transaction Documents. The PDI Holder(s) shall also

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have the right to novate, transfer or assign its rights and/or the benefits under the Transaction Documents upon such transfer/transmission of the PDIs.

- (ii) It is clarified that the Company shall not assign any of the rights, duties or obligations under the Trust Deed or in relation to the PDIs without the prior written consent of the Trustee (acting on the instructions of all the PDI Holder(s)).

(k) PDIs Free from Equities

The PDI Holder(s) will be entitled to their PDIs free from equities or cross claims by the Company against the original or any intermediate holders thereof.

(l) PDI Holder Not Entitled to Shareholders' Rights

The PDI Holder(s) shall not be entitled to any of the rights and privileges available to the shareholders of the Company including right to receive notices of or to attend and vote at general meetings or to receive annual reports of the Company.

If, however, any resolution affecting the rights attached to the PDIs is placed before the shareholders, such resolution will first be placed before the PDI Holder(s) for their consideration.

(m) Variation of PDI Holder(s)' Rights

The rights, privileges and conditions attached to the PDIs under a particular Tranche/Series may be varied, modified or abrogated with the consent in writing of the Majority PDI Holder(s) of that particular Tranche/Series.

Note 2: EVENTS OF DEFAULT AND CONSEQUENCES OF EVENTS OF DEFAULT

- (i) If one or more of the events specified in Clause (viii) hereinbelow happen(s) in respect of any Series/Tranches, the Trustee shall, upon request in writing of the Majority PDI Holders or by a Special Resolution duly passed at the meeting of the PDI Holder(s), convened in accordance with the provisions set out in the Schedule II (*Provisions for the Meetings of the PDI Holder(s)*) of the Trust Deed, give a notice of such number of days as specified in Clause (vii) in writing to the Company to remedy the relevant event, provided that no such notice will be given in case of occurrence of the event specified in Clause (viii) (a) below.
- (ii) The Trustee may send a notice to the PDI Holders calling an event of default ("**Event of Default**") in accordance with Clause (viii), by registered post/acknowledgement due or speed post/acknowledgement due or courier or hand delivery with proof of delivery as also through email as a text or as an attachment to email, followed by a written notice, with a notification including a read receipt, and proof of dispatch of such notice or email, shall be maintained.
- (iii) The notice to be sent by the Trustee (as specified in Clause (ii) above) shall contain the following:
 - (a) request for negative consent for proceeding with the enforcement of security (if any);
 - (b) positive consent for signing the ICA;
 - (c) the time period within which the consent needs to be provided by the PDI Holders, which consent is required to be given by the PDI Holders within 15 (Fifteen) days from the date of notice or such revised timelines as prescribed under Applicable Law; and
 - (d) the date of meeting to be convened (which meeting shall be convened within 30 (Thirty) days from the notice of the Trustee calling an Event of Default as referred to in Clause (ii) above).

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Provided that in case the Event of Default is remedied between the date of notice and the date of meeting, then the convening of such a meeting may be dispensed with.

- (iv) If the Event of Default is still continuing, then the Trustee shall take necessary action of entering into the ICA or take action as decided in the meeting of PDI Holders, subject to the following:
- (a) In case(s) where majority of PDI Holders expressed their consent to enter into ICA, the Trustee(s) shall enter into the ICA, subject to the conditions set out in Clause (v) hereunder;
 - (b) The Trustee may form a representative committee of the PDI Holders to participate in the ICA or as may be decided in the meeting of the PDI Holders. Such a committee may comprise of the designated members representing the interest of the ISIN level PDI Holders under the PDIs. The Representative Committee shall be responsible to take decisions which shall be binding on the specific ISIN level PDI Holders relating to ICA matters, or take any other action as may be decided by the PDI Holders, from time to time.

For the purpose of this Clause (iv), the consent of the majority of PDI Holders shall mean the approval of not less than 75% of the PDI Holders by value of the outstanding PDIs and 60% of the PDI Holders by number at the ISIN level.

- (v) The Trustee may sign the ICA and consider the resolution plan on behalf of the PDI Holders upon compliance with the following conditions:
- (a) The signing of the ICA and agreeing to the resolution plan is in the interest of PDI and in compliance with the Act and the rules made thereunder, the Securities Contracts (Regulations) Act, 1956 and the Securities and Exchange Board of India Act, 1992 and the rules, regulations and circulars issued thereunder from time to time.
 - (b) If the resolution plan imposes condition(s) on the Trustee that are not in accordance with the provisions of Companies Act, 2013 and the rules made thereunder, the Securities Contracts (Regulations) Act, 1956 and the Securities and Exchange Board of India Act, 1992 and the rules, regulations and circulars issued thereunder from time to time, then the Trustee shall be free to exit the ICA altogether with the same rights as if it had never signed the ICA. Under these circumstances, the resolution plan shall not be binding on the Trustee.
 - (c) The resolution plan shall be finalized within 180 (One Hundred and Eighty) days from the end of the review period. If the resolution plan is not finalized within 180 (One Hundred and Eighty) days from the end of the review period, then the Trustee shall be free to exit the ICA altogether with the same rights as if it had never signed the ICA and the resolution plan shall not be binding on the Trustee. However, if the finalization of the resolution plan extends beyond 180 (One Hundred and Eighty) days, the Trustee may consent to an extension beyond 180 (One Hundred and Eighty) days subject to the approval of the investors regarding the total timeline. The total timeline shall not exceed 365 (Three Hundred and Sixty Five) days from the date of commencement of the review period.
 - (d) If any of the terms of the approved resolution plan are contravened by any of the signatories to the ICA, the Trustee shall be free to exit the ICA and seek appropriate legal recourse or any other action as deemed fit in the interest of the PDI Holders.
- (vi) Subject to the above, the Trustee shall have the following rights:
- (a) to appoint a Nominee Director as per Paragraph 10 below;
 - (b) initiating any enforcement action including without limitation Insolvency and Bankruptcy Code, 2016 (wherever applicable);
 - (c) levy additional interest in the manner set out in Clause 2.1.10 of the Trust Deed;
 - (d) exercise any other right that the Trustee and / or PDI Holder(s) may have under the Transaction Documents or under Applicable Law.

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- (vii) Notwithstanding anything contained in the Transaction Documents, any payments to be made by the Company pursuant to this Note 2 shall be made only with prior approval of the RBI as per the extant RBI directions, guidelines and regulations in respect of PDIs.
- (viii) The following events may be called by the Trustee as Events of Default in the manner as stated in Clause (ii) above, after the expiry of the relevant time period:
- (a) Non-payment on Due Date of any amount payable pursuant to the Trust Deed, in respect of any Series/Tranche of PDIs.

Notwithstanding anything contained herein, it is hereby expressly clarified that any event of non-payment of Coupon or any other payment payable pursuant to the Trust Deed by the Company pursuant to the provisions of the RBI guidelines (including but not limited to non-payment of Coupon pursuant to the events identified in **Clause (c)(ii)(B), Section M (Payment of Coupon)** above, shall not be construed to be an Event of Default under this Clause (viii) (a).

- (b) if not rectified within 30 (Thirty) days from the date of receipt by the Company of a notice from the Trustee in relation thereto or the Company having obtained actual knowledge thereof, whichever is earlier:
- i. other than Clause (viii) (a), there is a delay in the performance or breach of any covenant, condition or provision contained in the Trust Deed and/or the Financial Covenants and Conditions, except where such delay or breach is in the opinion of the Trustee incapable of remedy and no notice shall be given by the Trustee in such a case;
 - ii. the Company has voluntarily or involuntarily become the subject of proceedings under any bankruptcy or insolvency law or the Company is voluntarily or involuntarily dissolved.
 - iii. the Company ceases or threatens in writing to cease to carry on its business or any substantial part thereof or gives notice of its intention to do so.
 - iv. the Trust Deed or any other Transaction Document in whole or in part, becomes invalid or ceases to be a legally valid, binding and enforceable obligation of the Company.
 - v. the Company is unable to or has admitted in writing its inability to pay its debts as they mature, or suspends making payments on any of its debts or, by reason of actual financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling/restructuring any of its Financial Indebtedness;
 - vi. any expropriation, attachment, sequestration, distress or execution (or analogous process) is levied, enforced upon or issued or otherwise affects a substantial part of the Assets or property of the Company;
 - vii. a receiver or a liquidator has been appointed or allowed to be appointed for all or any part of the undertaking of the Company;
 - viii. other than Clause (viii) (a), any material breach of terms of the relevant Disclosure Document(s) pertaining to any Series/Tranche of PDIs is committed by the Company;
 - ix. it is or becomes unlawful for the Company to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Company under any Transaction Document are not or cease to be valid, binding or enforceable;
 - x. the Company repudiates any of the Transaction Documents or evidences an intention to repudiate any of the Transaction Documents;
 - xi. there shall have occurred a change in the business, operations, property, Assets, liabilities, condition (financial or otherwise) or prospects of the Company since the date hereof that has resulted in a Material Adverse Effect.

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- (ix) If any Event of Default or any event which, after the notice, or lapse of time, or both, would constitute an Event of Default has happened, the Company shall, forthwith give notice thereof to the PDI Holders of each Series/Tranches in which such Event of Default has occurred/Trustee in writing specifying the nature of such Event of Default, or of such event.

(x) **NOMINEE DIRECTOR**

The Trustee shall have a right to appoint a nominee director on the Board of Directors of the Company (hereinafter referred to as "**the Nominee Director**") in accordance with the provisions of the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 in the event of:

- (i) 2 (Two) consecutive defaults in payment of Coupon to the PDI Holder(s) by the Company; or
- (ii) Any default on the part of the Company in redemption of the PDIs on the Call Option Date, if the Company has exercised the Call Option;

Provided that for the purposes of (i) and (ii), non-payment of Coupon or any other payment payable pursuant to the Trust Deed by the Company pursuant to the provisions of the RBI guidelines (including but not limited to non-payment of Coupon pursuant to the events identified in **Clause (c)(ii)(B), Section M (Payment of Coupon)** above, shall not be considered as Events of Default or any other breach warranting appointment of a Nominee Director.

The Nominee Director so appointed shall not be liable to retire by rotation nor shall be required to hold any qualification shares. The Company shall take steps to amend its Articles of Association for the purpose, if necessary.

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SECTION O

RISK FACTORS

DISCLAIMER: PLEASE NOTE THAT ONLY THOSE PERSONS TO WHOM THE DISCLOSURE DOCUMENTS HAVE BEEN SPECIFICALLY ADDRESSED ARE ELIGIBLE TO APPLY. HOWEVER, AN APPLICATION, EVEN IF COMPLETE IN ALL RESPECTS, IS LIABLE TO BE REJECTED WITHOUT ASSIGNING ANY REASON FOR THE SAME. THE LIST OF DOCUMENTS PROVIDED ABOVE IS ONLY INDICATIVE, AND AN INVESTOR IS REQUIRED TO PROVIDE ALL THOSE DOCUMENTS / AUTHORIZATIONS / INFORMATION, WHICH ARE LIKELY TO BE REQUIRED BY THE COMPANY. THE COMPANY MAY, BUT IS NOT BOUND TO REVERT TO ANY INVESTOR FOR ANY ADDITIONAL DOCUMENTS / INFORMATION, AND CAN ACCEPT OR REJECT AN APPLICATION AS IT DEEMS FIT. INVESTMENT BY INVESTORS FALLING IN THE CATEGORIES MENTIONED ABOVE ARE MERELY INDICATIVE AND THE COMPANY DOES NOT WARRANT THAT THEY ARE PERMITTED TO INVEST AS PER EXTANT LAWS, REGULATIONS, ETC. EACH OF THE ABOVE CATEGORIES OF INVESTORS IS REQUIRED TO CHECK AND COMPLY WITH EXTANT RULES/REGULATIONS/GUIDELINES, ETC. GOVERNING OR REGULATING THEIR INVESTMENTS AS APPLICABLE TO THEM AND THE COMPANY IS NOT, IN ANY WAY, DIRECTLY OR INDIRECTLY, RESPONSIBLE FOR ANY STATUTORY OR REGULATORY BREACHES BY ANY INVESTOR, NEITHER IS THE COMPANY REQUIRED TO CHECK OR CONFIRM THE SAME.

PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THESE KEY RISKS ASSOCIATED WITH THE PDIs

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PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THESE KEY RISKS ASSOCIATED WITH THE PDIs

General

The following are the risks envisaged by the management of the Company relating to the Company, the PDIs and the market in general. Potential investors should carefully consider all the risk factors stated in the Disclosure Document(s) in relation to the PDIs for evaluating the Company and its business and the PDIs before making any investment decision relating to the PDIs. The Company believes that the factors described below represent the principal risks inherent in investing in the PDIs but do not represent that the statements below regarding the risks of holding the PDIs are exhaustive. Potential investors should also read the detailed information set out elsewhere in this Disclosure Documents and reach their own views prior to making any investment decision.

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If any one of the following stated risks actually occurs, the Company's business, financial conditions and results of operations could suffer and, therefore, the value of the Company's PDIs could decline and/or the Company's ability to meet its obligations in respect of the PDIs could be affected. More than one risk factor may have simultaneous effect with regard to the PDIs such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No prediction can be made as to the effect that any combination of risk factors may have on the value of the PDIs and/or the Company's ability to meet its obligations in respect of the PDIs.

These risks and uncertainties are not the only issues that the Company faces. Additional risks and uncertainties not presently known to the Company or that the Company currently believes to be immaterial may also have a Material Adverse Effect on its financial condition or business. Unless specified or quantified in the relevant risk factors, the Company is not in a position to quantify the financial or other implications of any risk mentioned herein below.

Credit Risk

Prospective investors should be aware that receipt of any coupon payment and principal amount at maturity on the PDIs is subject to the credit risk of the Issuer. Investors assume the risk that the Company will not be able to satisfy its obligations under the PDIs. Any stated credit rating of the Company reflects the independent opinion of the rating agency as to the creditworthiness of the rated entity but is not a guarantee of credit quality of the Company. Any downgrading of the credit ratings of the Company or its parent or affiliates, by any rating agency could result in a reduction in the value of the PDIs. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Company, the payment of sums due on the PDIs may be substantially reduced, delayed or lost. The holding company or the other group companies of the Issuer are not entitled to and will not support the Issuer in case of any bankruptcy of the Issuer.

The Company has institutionalised a systematic credit evaluation process monitoring the performance of its asset portfolio on a regular and continual basis to detect any material development, and constantly evaluate the changes and developments in sectors in which it has substantial exposure. The Company will also endeavour to undertake a periodic review of its entire asset portfolio with a view to determine the portfolio valuation, identify potential areas of action and devise appropriate strategies thereon. Despite these efforts, there can be no assurance that repayment or coupon payment default will not occur and/or there will be no adverse effect on the Company's financial results and/or operations as a result thereof.

In performing its credit assessment, the Company relies largely on information furnished by or on behalf of its borrowers, including financial information, based on which the Company performs its credit assessment. The Company may also depend on certain representations and undertakings as to the accuracy, correctness and completeness of information, and the verification of the same by agencies to which such functions are outsourced. Any such information if materially misleading may increase the risk of default and could adversely impact the financial condition, financial results and/or operations of the Company. There can be no assurance that repayment or coupon payment default will not occur and/or there will be no adverse effect on the Company's financial results and/or operations as a result thereof.

A substantial portion of the Company's assets under management (excluding inter-corporate deposits) is secured by assets, moveable and immoveable. The value of the security/collateral granted in favour of the Company, as the case may be, may decline due to adverse market and economic conditions (both global and domestic), delays in insolvency, winding up and foreclosure proceedings, defects in title, difficulty in locating moveable assets, inadequate documentation in respect of assets secured and the necessity of obtaining regulatory approvals for the enforcement of the Company's security over the assets comprising its security and the Company may not be able to recover the estimated value of the assets, thus exposing it to potential losses. There can be no assurance that repayment or coupon payment default will not occur and/or there will be no adverse effect on the Company's financial results and/or operations as a result thereof.

Any delay in enforcing the collateral due to delays in enforcement proceedings before Indian courts or otherwise could also expose the Company to potential losses. Although the Company regularly reviews its credit exposures, defaults may arise from events or

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circumstances that are difficult to detect or foresee. There can be no assurance that repayment or coupon payment default will not occur and/or there will be no adverse effect on the Company's financial results and/or operations as a result thereof.

Interest Rate Risk

The Company's interest income from lending and gains from trading in debt securities are dependent upon interest rates and their movement. Interest rates are highly sensitive to many factors beyond the control of the Company, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. Due to these factors, interest rates in India have historically experienced a relatively high degree of volatility. Consequently, there can be no assurance that significant interest rate movements will not have an adverse effect on the Company's financial results and/or operations.

Downgrading in credit rating

The Company cannot guarantee that the credit rating provided by the Credit Rating Agency(ies) and as disclosed in the Disclosure Documents will not be downgraded. In the event of deterioration in the financial health of the Company, there is a possibility that the Rating Agency may downgrade the rating of the PDIs. In such cases, potential investors may have to take losses on re-valuation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms. Such a downgrade in the credit rating may lower the value of the PDIs and/or the Company's ability to meet its obligations in respect of the PDIs could be affected.

PDIs are Unsecured

As the PDIs being issued by the Issuer are unsecured, in the event that the Issuer is unable to meet its payment and other obligations towards potential investors under the terms of the PDIs, the Trustee does not have any security which can be enforced to redeem the PDIs and the PDI Holders shall be treated as unsecured creditors of the Issuer.

The PDIs are Subordinated Perpetual Instruments and the Investors have No Right To Require Redemption

The PDIs are perpetual in tenor and have no maturity date. The Company is under no obligation to redeem the PDIs at any time and the PDIs can only be disposed of by sale. PDI Holders who wish to sell their PDIs may be unable to do so at a price at or above the amount they have paid for them, or at all, if insufficient liquidity exists in the market for the PDIs.

The PDIs may be Redeemed only at the Option of the Issuer on the Call Option Date

The terms and conditions provide that the PDIs are redeemable at the Company's option only on the Call Option Date and on the occurrence of an Event of Default, subject to approval from the RBI. The date that the Company elects to redeem the PDIs may not accord with the preference of individual holders, which may be disadvantageous to holders in light of market conditions or the individual circumstances of the holder of the PDIs. Additionally, an investor may not be able to reinvest the redemption proceeds in comparable securities at an effective distribution rate at the same level as that of the PDIs.

Nature of PDIs

The instruments for offer are in the nature of Unsecured Rated Listed Perpetual Debt Instruments in the nature of Non-Convertible PDIs. Redemption of the PDIs will be subject to Master Direction – Non-Banking Financial Company- Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued by RBI as amended from time to time.

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As per the aforesaid RBI direction:

- 1) the claims of the investors in PDI shall be
 - a) Superior to the claims of investors in Equity Shares of the Company; and
 - b) Subordinated to the claims of all other creditors of the Company (but pari-passu inter se the holders of the PDIs).
- 2) the PDIs could be subject to a lock-in as under:
 - a) the PDIs shall be subjected to a lock-in clause in terms of which the Company may defer the payment of interest, if:
 - the Company's capital to risk assets ratio (CRAR) is below the minimum regulatory requirement prescribed by RBI; or
 - the impact of such payment results in the Company's CRAR falling below or remaining below the minimum regulatory requirement prescribed by the RBI;
 - b) However, the Company may pay interest with the prior approval of RBI when the impact of such payment may result in net loss or increase the net loss, provided the CRAR remains above the regulatory norm.
 - c) The interest shall not be cumulative except in cases as in (a).

Operational and System Risk

The Company is faced with operational and system risks, which may arise as a result of various factors, viz., improper authorizations, failure of employees to adhere to approved procedures, inappropriate documentation, failure in maintenance of proper security policies, frauds, inadequate training and employee errors. Further, there can also be a security risk in terms of handling information technology related products such as system failures, information system disruptions, communication systems failure which involves certain risks like data loss, breach of confidentiality and adverse effect on business continuity and network security.

If any of the systems do not operate properly or are disabled or if other shortcomings or failures in internal processes or systems are to arise, this could affect the Company's operations and/or result in financial loss, disruption of Company's businesses, regulatory intervention and/or damage to its reputation. In addition, the Company's ability to conduct business may be adversely impacted by a disruption (i) in the infrastructure that supports its businesses and (ii) in the localities in which it is located.

Any failure, inadequacy and security breach in our computer systems may adversely affect our business. Our operations depend on our ability to process a large number of transactions on a daily basis across our network of offices. The financial, accounting or other data processing systems of the Company may fail to operate adequately or become disabled as a result of events that are beyond its control, including a disruption of electrical or communications services, particularly in the rural areas in which the Company operates.

The Company's operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Its computer systems, software, including software licensed from vendors and networks may be vulnerable to unauthorised access, computer viruses or other malicious code and other events that could compromise data integrity and security and result in identity theft, for which the Company could potentially be liable.

The economic fallout from the spread of the Covid-19 virus may impact the Company's business prospects, financial condition, result of operations and credit risk.

The spread of the COVID-19 virus has affected millions across the globe and the same coupled with measures taken by the governments including lockdowns/ curfew has not only affected day to day lives of the people but has also given a hard blow to the supply chain of factories, with trade routes being disturbed and slowing down of the industry, trade, commerce and business activities across all sectors.

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The COVID-19 virus pandemic is however also adversely affecting, and is expected to continue to adversely affect, the Company's operations, liquidity and cashflows.

While the extent of negative financial impact cannot be reasonably estimated at this time, a sustained economic slowdown may significantly affect the Company's business, financial condition, liquidity, cashflows and results of operations and the same will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the COVID-19 virus and the actions to contain the COVID-19 virus or treat its impact, among others. Consequently, there may be a negative effect on the Company's ability to service the obligations in relation to the PDIs.

Slowdown in Economic Growth

The Company's performance and the quality and growth of its assets are necessarily dependent on the health of the overall Indian economy. A slowdown in the Indian economy or a fall in India's GDP may adversely affect its business, including its ability to enhance its asset portfolio and the quality of its assets, and its ability to implement certain measures could be adversely affected by a movement in interest rates, or various other factors affecting the growth of industrial, manufacturing and services sector or a general downtrend in the economy. Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact the Company's ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available.

Our success depends on our ability to respond to new technological advances

We have a continuing need for technological change, and we may not have the resources to effectively implement new technology, or we may experience operational challenges when implementing new technology.

The financial services industry is undergoing rapid technological changes with frequent introductions of new technology-driven products and services. In addition to better serving customers, the effective use of technology increases efficiency and enables financial institutions to reduce costs. As we continue to grow, our success will partially depend upon our ability to address the needs of our customers and enhance operational efficiencies through the use of technology. We may experience operational challenges as we implement these new technology products or enhancements. As a result, we may not fully realize the anticipated benefits from our new technology, or we may incur significant costs to overcome related challenges in a timely manner.

Any failure, inadequacy and security breach in our information technology systems may materially adversely affect our business

Our operations depend on our ability to process a large number of transactions on a daily basis across our network of offices, most of which are connected through computer systems and servers to our head office. Our expansion plans will require us to invest more in IT which may prove to be unsuccessful. Our financial, accounting, underwriting or other data processing systems may fail to operate adequately or become disabled as a result of events that are beyond our control, including a disruption of electrical or communications services. Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. The information available to and received by our management through our existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in our operations. We may experience difficulties in upgrading, developing and expanding our systems quickly enough to accommodate our growing customer base and range of products.

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Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our computer systems, servers, software, including software licensed from vendors and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security and result in identity theft including customer data, customer KYC documents (including identity proofs, income and tax statements and bank account details), employee data and propriety business data, for which we could potentially be liable. Any failure to effectively maintain or improve or upgrade our management information systems in a timely manner could adversely affect our competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be materially adversely impacted by a disruption in the supporting infrastructure.

Our insurance coverage may not be sufficient or may not adequately protect us against any or all hazards, which may materially adversely affect our business, results of operations, financial condition and cash flows.

We maintain insurance coverage for our operations in normal course. Our insurance policies, however, may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. We cannot, assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

We cannot assure you that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have obtained sufficient insurance to cover all our losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, or at acceptable cost, or at all.

We are exposed to significant market risk that could impair the value of our investment portfolio and materially adversely affect our business, results of operations and financial condition

Changes in prevailing interest rates could affect our investment returns, which in turn could affect our investment income, results of operations and prospects. While falling interest rates could result in an increase in the mark-to-market value of our debt portfolio, they also subject us to reinvestment risk, which could result in the portfolio yields falling. Accordingly, declining interest rates could have an adverse effect on our investment income, results of operations, financial condition, cash flows and prospects. On the other hand, an increase in interest rates could also adversely affect our profitability. Even though an increase in interest rates could result in an increase in investment returns on our newly added fixed income assets, it could also result in a reduction in the value of our existing fixed income assets reducing the mark-to-market value of such instruments. Interest rates are highly sensitive to inflation and other factors including, government monetary and tax policies, domestic and international economic and political considerations, regulatory requirements and other factors beyond our control. Any adverse effect on the factors affecting equity markets in India could materially adversely affect our investment returns, which in turn could affect our results of operations, financial condition, cash flows and prospects.

Tax and other considerations

Special tax, accounting and legal considerations may apply to certain types of potential investors. Potential investors are urged to consult with their own financial, legal, tax and other professional advisors to determine any financial, legal, tax and other implications of an investment into the PDIs.

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Access to capital markets and commercial borrowings

With the growth of its business, the Company will increasingly rely on funding from the debt capital markets and commercial borrowings. The Company's growth will depend on its continued ability to access funds at competitive rates which in turn will depend on various factors including its ability to maintain its credit ratings. If the Company is unable to access funds at an effective cost that is comparable to or lower than its competitors, the Company may not be able to offer competitive interest rates for its loans or have adequate funds for its investment activities. This may adversely impact its business results and its future financial performance.

Company's indebtedness and covenants imposed by its financing arrangements may restrict its ability to conduct its business or operations

Company's financing arrangements require it to maintain certain security cover for some of its borrowings. Should there be any breach of financial or other covenants of any financing arrangements and such breach continues beyond the stipulated cure period, the Company may be subjected to various consequences as a result of such default including forced repayment of such borrowings. Further, under some of the financing arrangements, the Company is required to inform / obtain prior approval of the lenders / debenture holders / debenture trustee for various actions. This may restrict / delay some of the actions / initiatives of the Company from time to time.

Any inability of the company to attract or retain talented professionals may impact its business operations

The business in which the Company operates is very competitive and ability to attract and retain quality talent impacts the successful implementation of growth plans. The Company may lose many business opportunities and business would suffer if such required manpower is not available on time. The inability of the Company to replace manpower in a satisfactory and timely manner may adversely affect its business and future financial performance.

Employee misconduct

Any kind of employee misconduct may impair the Company's ability to service clients. It is not always possible to deter employee misconduct and the precautions the Company takes to detect and prevent this activity may not be effective in all cases.

The Company is not required to create a debenture redemption reserve

As per Section 71 of the 2013 Act, any company that intends to issue debentures must create a DRR to which adequate amounts shall be credited out of the profits of the company until the redemption of the debentures. However, under the Companies (Issuance of Share Capital and Debentures) Rules, 2014, non-banking financial companies are presently exempt from this requirement in respect of privately placed debentures. Pursuant to this exemption, the Company does not intend to create any reserve funds for the redemption of the Debentures. Consequently, the investor may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the PDIs.

Refusal of listing of any security of the Issuer during last three years by any of the stock exchanges in India or abroad.

As of date, the Issuer has not been refused listing of any of its securities during the last 3 (three) years by any of the stock exchanges in India or abroad and therefore, this would not be applicable.

In accordance with Indian law and practice, permissions for listing and trading of the PDIs issued pursuant to this Issue will not be granted until the relevant stock exchange approves the listing, which will be available only after an updated document is accordingly filed with the relevant authorities at the time of such listing. Approval for listing and trading will require all relevant documents authorising the issuing of PDIs to be submitted. There could be a failure or delay in listing the PDIs on the stock exchange. If permission to deal in and for an official quotation of the PDIs is not granted by the stock exchange, the PDIs will remain unlisted.

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Limited or sporadic trading of non-convertible securities of the issuer on the stock exchanges.

As of date, the Issuer is not aware of any limited or sporadic trading of the non-convertible securities of the Issuer on stock exchanges and therefore, this would not be applicable.

In case of outstanding debt instruments or deposits or borrowings, any default in compliance with the material covenants such as creation of security as per terms agreed, default in payment of interest, default in redemption or repayment, non-creation of debenture redemption reserve, default in payment of penal interest wherever applicable.

As of date, the Issuer has not defaulted in compliance with any material covenants agreed to by the Issuer and therefore, this would not be applicable.

The Company's financing arrangements require it to maintain certain security cover for some of its borrowings. Should there be a breach any financial or other covenants contained in any of the Company's financing agreements, the Company may be required to immediately repay its borrowings either in whole or in part, together with any related costs. Under the terms of some of the financing arrangements, the Company may be required to obtain the prior written consent of the concerned lender prior to the Company entering into any scheme of expansion, merger, amalgamation, compromise or reconstruction or selling, leasing, transferring all or a substantial portion of its fixed and other assets; making any change in ownership or control or constitution of the Company, or in the shareholding or management or majority of directors, or in the nature of business of the Company. This may restrict/ delay some of the actions/ initiatives that our Company may like to take from time to time.

Purchases and sales by the Company and its affiliates may affect the Debenture Holders' return

The Company and its affiliates may from time to time buy or sell the PDIs or debt instruments similar to the PDIs and/or other obligations or have positions in securities economically related to a series of PDIs for their own account for business reasons or in connection with hedging of the obligations under the particular series of PDIs. These transactions could affect the price of such obligations or securities in a manner that would be adverse to the holder's investment in the PDIs. The Company and its affiliates have not considered, and are not required to consider, the interests of investors as holders of the PDIs in connection with entering into any of the above-mentioned transactions.

The secondary market for the PDIs may be non-existent or the PDIs may be illiquid.

The PDIs may be very illiquid and no secondary market may develop in respect thereof. Even if there is a secondary market for the PDIs, it is not likely to provide significant liquidity. An illiquid market may have an adverse impact on the price at which the PDIs may be sold in the secondary market. Any such PDIs so purchased may be required to be held or resold or surrendered for cancellation. To the extent that an issue of PDIs becomes illiquid, an investor may have to hold the PDIs until redemption to realize value.

The Company may, but is not obliged to, at any time purchase the PDIs at any price in the market or by tender or private agreement. Any PDIs so purchased may be resold or surrendered for cancellation. The more limited the secondary market is, the more difficult it may be for PDIs Holders to realise value for the PDIs prior to settlement of the PDIs.

Further, the Company may not be able to issue any further PDIs, in case of any disruptions in the securities market.

Changes in general interest rates in the economy may affect the price of the PDIs

All securities where a fixed rate of interest is offered, such as the PDIs, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity

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and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of the PDIs.

Tax Considerations and Legal Considerations

Special tax considerations and legal considerations may apply to certain types of potential investors. Potential investors are urged to consult with their own financial, legal, tax and other professional advisors to determine any financial, legal, tax and other implications of this investment.

Accounting Considerations

Special accounting considerations may apply to certain types of taxpayers. Potential investors are urged to consult with their own accounting advisors to determine implications of this investment.

The Company's business requires substantial capital, and any disruption in funding sources would have a material adverse effect on the Company's liquidity and financial condition.

As a finance company, the liquidity and ongoing profitability are, in large part, dependent upon the Company's timely access to, and the costs associated with, raising capital. The Company's funding requirements historically have been met from a combination of term loans from banks and financial institutions, issuance of redeemable non-convertible PDIs, the issue of PDIs and commercial paper. Thus, the Company's business depends and will continue to depend on the Company's ability to access diversified funding sources. The Company's ability to raise funds on acceptable terms and at competitive rates continues to depend on various factors including the Company's credit ratings, the regulatory environment and policy initiatives in India, developments in the international markets affecting the Indian economy, investors' and/or lenders' perception of demand for debt and equity securities of NBFCs, and the Company's current and future results of operations and financial condition.

Changes in economic and financial conditions or continuing lack of liquidity in the market could make it difficult for the Company to access funds at competitive rates. As an NBFC, the Company also faces certain restrictions in its ability to raise money from international markets which may further constrain the Company's ability to raise funds at attractive rates.

Such conditions may occur again in the future and may lead to a disruption in the Company's primary funding sources at competitive costs and would have a material adverse effect on the Company's liquidity and financial condition.

High levels of customer defaults could adversely affect the Company's business, financial condition and results of operations.

The Company's business involves lending money and accordingly the Company is subject to customer default risks including default or delay in repayment of principal or interest on its loans. Customers may default on their obligations to the Company as a result of various factors including bankruptcy, lack of liquidity, lack of business and operational failure. If borrowers fail to repay loans in a timely manner or at all, the Company's financial condition and results of operations will be adversely impacted.

The Company's entire customer base comprises individual and/or small enterprise segment borrowers, who generally are more likely to be affected by declining economic conditions than larger corporate borrowers.

Individual and small enterprise segment borrowers generally are less financially resilient than larger corporate borrowers, and, as a result, they can be more adversely affected by declining economic conditions. In addition, a significant majority of the Company's customer base belongs to the low to medium income group and/or the small enterprises finance sector. Furthermore, unlike several developed economies, a nationwide credit bureau has only recently become operational in India, so there is less financial

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information available about individuals, particularly our focus customer segment from the low to medium income group who typically have limited access to other financing sources. It is therefore difficult to carry out precise credit risk analyses on the Company's customers. Although the Company believes that its risk management controls are sufficient, the Company cannot be certain that they will continue to be sufficient or that additional risk management policies for individual borrowers will not be required. Failure to maintain sufficient credit assessment policies, particularly for individual borrowers, could adversely affect the Company's credit portfolio which could have a material and adverse effect on the Company's results of operations and financial condition.

The Company faces increasing competition in its business which may result in declining margins if the Company is unable to compete effectively.

The Company faces competition in all its lines of businesses. Its primary competitors are other NBFCs, public sector banks, private sector banks, co-operative banks and foreign banks and the unorganized financiers who principally operate in the local markets. Over the past few years, the retail financing area has seen the entry of banks, both nationalized as well as foreign. Banks have access to low-cost funds which enables them to enjoy higher margins and / or offer finance at lower rates. NBFCs do not have access to large quantities of low-cost deposits, a factor which can render them less competitive. In addition, interest rate deregulation and other liberalization measures affecting the retail and small enterprises finance sector, together with increased demand for capital by individuals as well as small enterprises, have resulted in an increase in competition.

All of these factors have resulted in the Company facing increased competition from other lenders in each of its lines of businesses, including commercial banks and other NBFCs. Its ability to compete effectively will depend, to some extent, on its ability to raise low-cost funding in the future. Furthermore, as a result of increased competition in the finance sector, finance products are becoming increasingly standardized and variable interest rate and payment terms and lower processing fees are becoming increasingly common in the finance sector in India. There can be no assurance that the Company will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive finance industry. Increasing competition may have an adverse effect on the Company's net interest margin and other income, and, if the Company is unable to compete successfully, its market share may decline. If the Company is unable to compete effectively with other participants in the finance sector, its business, future financial performance and the trading price of the PDIs may be adversely affected.

If the Company is unable to manage the level of NPAs in its Loan Assets, its financial position and results of operations may suffer.

If the level of NPAs in the Company's portfolio were to increase, its business would suffer. The occurrence of NPAs or an increase in the level of NPAs will adversely affect the Company's business, financial results and/or operations.

Furthermore, the Company's current provisions may not be adequate when compared to the loan portfolios of other financial institutions. Moreover, there also can be no assurance that there will be no further deterioration in our provisioning coverage as a percentage of Gross NPAs or otherwise, or that the percentage of NPAs that we will be able to recover will be similar to the Company's past experience of recoveries of NPAs. In the event of any further deterioration in the Company's NPA portfolio, there could be an even greater, adverse impact on the Company's results of operations and the trading price of the PDIs may be adversely affected.

A decline in the Company's capital adequacy ratio could restrict the Company's future business growth.

As per RBI regulations, all non-deposit taking NBFCs have to maintain a minimum capital adequacy ratio, consisting of Tier I and Tier II capital, which shall not be less than 15.00% of its aggregate risk weighted assets on balance sheet and risk adjusted value of off-balance sheet items. If the Company continues to grow its loan portfolio and asset base, it will be required to raise additional Tier I and Tier II capital in order to continue to meet applicable capital adequacy ratios with respect to its business. There can be no

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assurance that it will be able to raise adequate additional capital in the future on terms favorable to it or at all and this may adversely affect the growth of its business and the trading price of the PDIs may be adversely affected.

The Company faces asset-liability mismatches which could affect its liquidity and consequently may adversely affect its operations and profitability.

The Company faces potential liquidity risks due to varying periods over which its assets and liabilities mature. As is typical for NBFCs, a portion of its funding requirements is met through short-term funding sources such as bank loans, working capital demand loans, cash credit, short term loans and commercial papers. However, each of its products differs in terms of the average tenor, average yield, average interest rates and average size of loan. The average tenor of its products may not match with the average tenor of its liabilities. Consequently, its inability to obtain additional credit facilities or renew its existing credit facilities, in a timely and cost-effective manner or at all, may lead to mismatches between its assets and liabilities, which in turn may adversely affect its operations and financial performance. Further, mismatches between its assets and liabilities are compounded in case of pre-payments of the financing facilities it grants to its customers. The trading price of the PDIs may be adversely affected due to the aforesaid reasons.

System failures or inadequacy and security breaches in computer systems may adversely affect the Company's business.

The Company's business is increasingly dependent on its ability to process, on a daily basis, a large number of transactions. Its financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond its control including a disruption of electrical or communications services. Its ability to operate and remain competitive will depend in part on its ability to maintain and upgrade its information technology systems on a timely and cost-effective basis. The information available to and received by its management through its existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in its operations. The Company may experience difficulties in upgrading, developing and expanding its systems quickly enough to accommodate its growing customer base and range of products.

The Company's operations also rely on the secure processing, storage and transmission of confidential and other information in the computer systems and networks. Its computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security. Any failure to effectively maintain or improve or upgrade its management information systems in a timely manner could materially and adversely affect its competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in its internal processes or systems, it could affect its operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to its reputation. In addition, its ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports its businesses and the localities in which it is located. The trading price of the PDIs may be adversely affected due to the aforesaid reasons.

The Company may not be able to maintain its current levels of profitability due to increased costs or reduced spreads.

The Company's business strategy involves a relatively high level of ongoing interaction with its customers. The Company believes that this involvement is an important part of developing its relationship with its customers, identifying new cross-selling opportunities and monitoring its performance. However, this level of involvement also entails higher levels of costs and also requires a relatively higher gross spread, or margin, on the finance products it offers in order to maintain profitability. There can be no assurance that it will be able to maintain its current levels of profitability if the gross spreads on its finance products were to reduce substantially, which could adversely affect its results of operations. The trading price of the PDIs may be adversely affected due to the aforesaid reasons.

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Future legal and regulatory obstructions:

The Company is subject to the RBI's guidelines on financial regulation of NBFCs, including capital adequacy, exposure and other prudential norms. The RBI also regulates the credit flow by banks to NBFCs and provides guidelines to commercial banks with respect to their investment and credit exposure norms for lending to NBFCs. The RBI's regulations of NBFCs could change in the future which may require it to restructure its activities, incur additional costs or could otherwise adversely affect its business and its financial performance. The trading price of the PDIs may be adversely affected due to the aforesaid reasons.

Future government policies and changes in laws and regulations in India (including their interpretation and application to the operations of the Company) and comments, statements or policy changes by any regulator, including but not limited to SEBI or RBI, may adversely affect the PDIs, and restrict the Company's ability to do business in its target markets. The timing and content of any new law or regulation is not within the Company's control and such new law, regulation, comment, statement or policy change could have an adverse effect on its business, financial results and/or operations.

Further, SEBI, the relevant Stock Exchange(s) or other regulatory authorities may require clarifications on the Disclosure Documents, which may cause a delay in the issuance of PDIs or may result in the PDIs being materially affected or even rejected.

Civil unrest, terrorist attacks and war would affect its business.

Terrorist attacks and other acts of violence, war or conflicts, in India and or those particularly involving India, as well as the United States of America, the United Kingdom, Singapore and the European Union, may adversely affect Indian and global financial markets. Such acts may negatively impact business sentiment, which could adversely affect its business and profitability. India has from time to time experienced and continues to experience, social and civil unrest, terrorist attacks and hostilities with neighboring countries. Also, some of India's neighboring countries have experienced or are currently experiencing internal unrest. This, in turn, could have a material adverse effect on the Indian economy and in turn may adversely affect our operations and profitability and the market for the PDIs.

Our business may be adversely impacted by natural calamities or unfavourable climatic changes.

India, Bangladesh, Pakistan, Indonesia, Japan and other Asian countries have experienced natural calamities such as earthquakes, floods, droughts and a tsunami in recent years. Some of these countries have also experienced pandemics. These economies could be affected by the extent and severity of such natural disasters and pandemics which could, in turn affect the financial services sector of which the Company is a part. Prolonged spells of abnormal rainfall, draught and other natural calamities could have an adverse impact on the economy, which could in turn adversely affect its business and the trading price of the PDIs.

Any downgrading of India's sovereign rating by an international rating agency(ies) may affect the Company's business and its liquidity to a great extent.

Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact its ability to raise additional finances at favourable interest rates and other commercial terms. This could have an adverse effect on the Company's growth, financial performance and its operations.

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SECTION P

DECLARATION

- The Company is in compliance with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act and the rules and regulations made thereunder;
- The compliance with the said Companies Act and the rules made thereunder do not imply that payment of dividend or interest or repayment of the PDIs, if applicable, is guaranteed by the Central Government;
- The monies received under the Issue shall be used only for the purposes and objects indicated in the Shelf Placement Memorandum;
- Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

I am authorized by the Board of Directors of the Company vide resolution number 20 dated to April 17, 2021 sign this Shelf Placement Memorandum and declare that all the requirements of Companies Act, 2013 and the rules made there under in respect of the subject matter of Shelf Placement Memorandum and matters incidental thereto have been complied with and that the Permanent Account Number, Bank Account Number(s) of the Promoter and Permanent Account Number of directors have been submitted to the stock exchanges on which the PDIs are proposed to be listed. Whatever is stated in Shelf Placement Memorandum and in the attachments thereto is true, correct and complete and no information material to the subject matter of Shelf Placement Memorandum has been suppressed or concealed and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to Shelf Placement Memorandum.

NOTE TO INVESTORS

Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of 'Risk Factors' contained under Section O of this Shelf Placement Memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

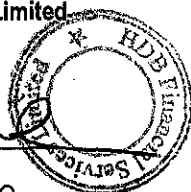
For HDB Financial Services Limited

Authorised Signatory

Name: G. Ramesh

Title: Managing Director & CEO

Date: October 25, 2021



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Shelf Placement Memorandum for Issue of Unsecured Rated Listed
Perpetual Debt Instruments on a private placement basis
October 25, 2021

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ANNEXURE I

TRUSTEE CONSENT LETTER

ATSL/CO/20-21/0137
January 14, 2021

HDB FINANCIAL SERVICES LIMITED
Ground Floor, Zenith House, Opp. Race Course,
Gate No-6, KK Marg, Mahalaxmi,
Mumbai- 400034

Kind Attn:- Amruta Gurul

Dear Sir/Ma'am,

Sub: Consent to act as Debenture Trustee for listed unsecured perpetual non-convertible debentures (NCDs) aggregating up to Rs.500 Crores proposed to be issued by HDB Financial Services Limited ("Issuer Company")

We, Axis Trustee Services Limited, hereby give our consent to act as the Debenture Trustee for the above mentioned issue of Debentures having a tenure of more than one year and are agreeable to the inclusion of our name as Debenture Trustee in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum and/or application to be made to the Stock Exchange for the listing of the said Debentures.

Axis Trustee Services Limited (ATSL) consenting to act as Debenture Trustees is purely its business decision and not an indication on the Issuer Company's standing or on the Debenture Issue. By consenting to act as Debenture Trustees, ATSL does not make nor deems to have made any representation on the Issuer Company, its Operations, the details and projections about the Issuer Company or the Debentures under Offer made in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document. Applicants / Investors are advised to read carefully the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document and make their own enquiry, carry out due diligence and analysis about the Issuer Company, its performance and profitability and details in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document before taking their investment decision. ATSL shall not be responsible for the investment decision and its consequence.

We also confirm that we are not disqualified to be appointed as Debentures Trustee within the meaning of Rule 18(2)(c) of the Companies (Share Capital and Debentures) Rules, 2014.

Yours truly,
For Axis Trustee Services Limited
RAHUL
RAMCHANDRA
VAISHYA
Rahul Vaishya
Assistant General Manager

Digitally signed by RAHUL
RAMCHANDRA VAISHYA
Date: 2021.01.14 15:11:34
+05'30'

Corporate Identity Number: U77990MH2008PLC182264 | MSME Registered UAN: MH1920032866

Registered Office:
Axis House, Rantay Drying Mills Compound, Bandrug, Bhandarkar Marg, Wadga, Mumbai - 400 025
Corporate Office:
The Ruby, 2nd Floor, SW, 20 Sampat Bapat Marg, Dadar West, Mumbai - 400 028
Tel No: 022-62304451 Fax No: 022-6230 0700 Website: www.axistrustee.com

 **AXIS TRUSTEE**

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ATSL/CO/2020-2021/297
 January 19, 2021

HDB Financial Services Limited
 Zenith House, ground Floor
 Dr Keshav Khadye Marg,
 Opp. Mahalaxmi Racecourse – 400013

Kind Attn.: Amrutva Guruj

Dear Sir/Ma'am,

Sub.: Offer to act as Debenture Trustee for listed unsecured perpetual non-convertible debentures (NCDs) aggregating up to Rs.500 crores proposed to be issued by HDB Financial Services Limited ("Company")

Axis Trustee Services Ltd. ("ATSL"/ "We") is pleased to offer its services to act as "Debenture Trustee" for the captioned NCDs on the following terms and conditions and those attached to this Letter ("Offer Letter"):-

- 1) Fee Schedule
 I. As Debenture Trustee


Type & Particulars of Fees	Amount and Currency	Terms Of Payment
Initial Acceptance Fee	Rs.25,000/- (Rupees Twenty Five Thousand only) plus all applicable taxes	Refer Sr. no.3.
Annual Fee	Rs.45,000/- (Rupees Forty Five Thousand only) plus all applicable taxes	Refer Sr. no.4.

- 2) GST Registration Number and Billing Address:

Kindly provide Company's GST registration number (provisional / final) and the billing address (if the billing address is different from the address in this offer letter) alongwith your acceptance of the offer.

Please note that in absence of any advice from you for raising of invoices on a specific address, ATSL shall be issuing all the invoices on the address mentioned in the offer letter and shall not be liable or responsible for any additional tax levies or claims arising on account of change in billing address.

- 3) The Initial Fee plus all applicable taxes shall be payable within 15 days from the date of issuance of invoice. The Initial fee is non-refundable. The Initial Fee shall not be subject to execution of finance and security documents/transaction documents or completion of the transaction.
- 4) The Annual Fee plus all applicable taxes shall be payable within 30 days from the first date of allotment of NCDs. The first annual fee will cover the period from the date of acceptance of the offer till end of the Financial Year. The subsequent annual fee shall be payable Financial Year wise until cessation of our services and/or satisfaction of charges, if any, on the security (ies) to the transaction and issuance of No Dues Certificate/ No Objection Certificate by us. The Annual Fee may be revised as per the mutually agreed terms between the Company and ATSL, from time to time.

Corporate Identity Number : U74900MH2009PLC182287-1.  Registered UAN: MH19E0033585
 Registered Office:
 Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400 025
 Corporate Office:
 The Ruby, 2nd Floor, 8th, 29 Senapati Bapat Marg, Dader West, Mumbai - 400 028
 Tel No. : 022-82300451 Fax No. : 022-8230 0700 Website: www.axis-trustee.com



AXIS TRUSTEE

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- 5) All out of pocket expenses (excluding those set out in Sr.no.6) like documentation execution related expenses to the extent of Rs.10,000/- per instance shall be borne by the Company.
- 6) The legal counsel fees, traveling expenses, inspection charges, audit expenses etc. in connection with the transaction will be paid by the Company on an actual basis alongwith all applicable taxes and reimbursed to ATSL within a period of 30 days from the date of issuance of invoice.
- 7) The CERSAI filing charges shall be borne by the Company on actual basis. Further, CERSAI entries over and above 50 in number, shall be chargeable with an additional cost of Rs. 100/- per entry plus all applicable taxes or as may be agreed mutually.
- 8) All payments shall be made within the timelines specified in the Offer Letter, failing which the Company shall be liable to pay interest as per the provisions of the Micro, Small and Medium Enterprises Development Act, 2008.
- 9) In the event the Lenders/Investors declare an event of default and instruct ATSL to initiate, commence or assist in any enforcement proceedings/action on their behalf, then additional fees, as may be determined at ATSL's sole discretion shall be chargeable for such enforcement services. This clause shall be considered to form an integral part of the finance and security documents/transaction documents executed in connection with the facility by the lenders/investors.
- 10) This Offer is valid for a period of 15 days from the date of the letter.

We shall be glad to provide clarifications required, if any and shall be pleased to receive your acceptance at an early date. We look forward to working with your organization and building a long standing, mutually beneficial relationship.

Yours truly,
For Axis Trustee Services Limited


Jaydeep Bhattacharya
Deputy General Manager


Sameer Kabra
Assistant General Manager



Accepted By
For HDB Financial Services Limited


Authorised Signatory



GST Registration no: 27AABCH2761M1Z1

Address for Billing*:

*(If the billing address is different from the address of the offer letter)

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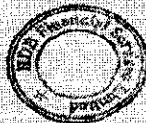
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OTHER TERMS AND CONDITIONS

1. The terms of this Offer Letter shall be applicable to the captioned NCDs aggregating to Rs. 500 Crores extended by the current set of investors and the documentation entered into in relation thereto. Any enhancement in facility/facilities, further/additional issuance of debentures, additional documentation over and above contemplated under this Offer Letter shall be charged separately.
2. This letter may be amended, revised, modified (and the provisions hereof may only be waived) by agreement in writing by the parties hereto.
3. The draft of the documents shall be provided by the Company at least 2 working days prior to the proposed date of execution. The Company shall execute all the requisite documents, as may be necessary, as per the agreed drafts.
4. ATSL, its officers, employees, directors, and agents as a Service Provider shall have no liability, save and except in case of gross negligence and wilful misconduct, as may be finally determined by a court of competent jurisdiction.
5. The Offer Letter shall form an integral part of the finance and security/transaction documents and the terms & conditions hereunder shall be construed to form part and parcel of the transaction documents to be executed. In the event of any conflict or contradicting terms & conditions, the terms of this Offer Letter shall prevail.
6. This offer is subject to the acceptance of the terms enumerated herein and KYC clearance as per the ATSL's policy.
7. ATSL shall commence the provision of its services, upon receipt of the duly accepted offer letter and due diligence documents as per Annexure hereto.

Accepted By
For HDB Financial Services Limited

Authorized Signatory



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ANNEXURE II
PRESS RELEASE AND RATING RATIONALE



HDB Financial Services Limited
September 23, 2021

Ratings

Instrument/Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Bank Loan Ratings	30,000.00 (Rs. Thirty thousand crore only)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Non-Convertible Debentures	40,308.00 (Rs. Forty thousand three hundred eight crores only)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Subordinate Debt	4,000.00 (Rs. Four thousand crore only)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Perpetual Debt	1,000.00 (Rs. One thousand crore only)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Market Linked Debentures	3,000.00 (Rs. Three thousand crore only)	CARE PP-MLD AAA; Stable (Principal Protected-Market Linked Debenture Triple A; Outlook: Stable)	Reaffirmed
Commercial Paper	12,500.00 (Rs. Twelve thousand five hundred crore only)	CARE A1+ (A One Plus)	Reaffirmed
Total	90,808 (Rs. Ninety thousand eight hundred eight crore only)		

Details of Instruments/Facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The reaffirmation of the ratings factor in the strength that HDB Financial Services Limited (HDBFSL) derives from the strategic importance to and expectation of continued support from its parent and majority owner HDFC Bank Ltd (HBL; rated 'CARE AAA; Stable', 'CARE A1+'). Its established presence in the retail finance segment, experiences management, healthy capitalization, strong liquidity position, comfortable resource profile, and robust earnings performance along with credit profile and continued support from HBL, profitability of HDBFSL, asset quality are the key rating sensitivities.

Owing to the impact on economy due to COVID-19, and general weakening of borrower profile due to the pandemic, the asset quality and collection efficiency of HDBFSL will remain the key monitorable.

Rating Sensitivities: Factors that could lead to negative rating action/downgrade

- Any reduction of the depth and scope of support from HBL.
- Deterioration in credit profile of HBL.
- Deterioration in asset quality parameters on a sustained basis.
- Moderation in capital buffers with considerable fall in the capital adequacy ratio close to the minimum regulatory requirement.

Detailed description of the key rating drivers

Strong linkages with and strategic importance to the parent, HDFC Bank

HDBFSL has strong financial and operational linkage with HBL (rated 'CARE AAA; Stable', 'CARE A1+'). HBL owns majority shareholding (95.11% as on June 30, 2021) in HDBFSL. The company complements the parent's product portfolio and distribution network and supports collection and other outsourced activities for the retail portfolio. HDBFSL has strong linkages with HBL in terms of sharing of brand name, resource raising ability and funding support. On the other hand, HDBFSL also supports HBL for sourcing and collection of latter's retail loan portfolio and provides outsourcing services to HBL.

HDFC Bank Limited is the largest private sector bank in India with standalone total assets of Rs.1,753,941 crore as on June 30, 2021 and has been identified as Domestic Systemically Important Bank (DSIB) by the Reserve Bank of India.

Established presence in the retail segment with healthy share of secured loan portfolio

HDBFSL has emerged as one of the big players in the retail financing space, over the past few years and has diversified the loan book over the years, with increased presence in commercial vehicle/construction equipment (CV/CE) financing and business loans. As on March 31, 2021, the company's loan portfolio was diversified with 29% of the portfolio into mortgage-backed assets (SME, LAP, etc.), 43% was Asset Financing (which includes Tractors / Used CVs / New CVs / CEs / gold loans)

¹ Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications

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Annexure 1
Rating Rationale
HDB Financial Services Limited
October 13, 2021

Ratings

Facilities	Amount (Rs. crore)	Rating	Rating Action
Bank Loan Ratings	30,000.00 (Rs. Thirty thousand crore only)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Non-Convertible Debentures	40,308.00 (Rs. Forty thousand three hundred eight crores only)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Subordinate Debt	4,000.00 (Rs. Four thousand crore only)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Perpetual Debt	1,000.00 (Rs. One thousand crore only)	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Market Linked Debentures	3,000.00 (Rs. Three thousand crore only)	CARE PP-MLD AAA; Stable (Principal Protected-Market Linked Debenture Triple A; Outlook: Stable)	Reaffirmed
Commercial Paper	12,500.00 (Rs. Twelve thousand five hundred crores only)	CARE A1+ (A One Plus)	Reaffirmed
Total	90,808 (Rs. Ninety thousand eight hundred eight crores only)		

Details of Instruments/Facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The reaffirmation of the ratings factor in the strength that HDB Financial Services Limited (HDBFSL) derives from the strategic importance to and expectation of continued support from its parent and majority owner HDFC Bank Ltd (HBL; rated 'CARE AAA; Stable', 'CARE A1+'). Its established presence in the retail finance segment, experiences management, healthy capitalization, strong liquidity position, comfortable resource profile, and robust earnings performance along with credit profile and continued support from HBL, profitability of HDBFSL, asset quality are the key rating sensitivities. Owing to the impact on economy due to COVID-19, and general weakening of borrower profile due to the pandemic, the asset quality and collection efficiency of HDBFSL will remain the key monitorable.

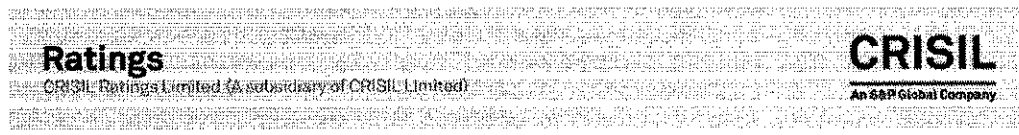
Rating Sensitivities: Factors that could lead to negative rating action/downgrade

- Any reduction of the depth and scope of support from HBL.
- Deterioration in credit profile of HBL.
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Rating Rationale

August 13, 2021 | Mumbai

HDB Financial Services Limited

'CRISIL AAA/Stable' assigned to Non Convertible Debentures

Rating Action

Total Bank Loan Facilities Rated	Rs.30000 Crore
Long Term Rating	CRISIL AAA/Stable (Reaffirmed)
Rs.10000 Crore Non Convertible Debentures	CRISIL AAA/Stable (Assigned)
Long Term Principal Protected Market Linked Debentures Aggregating Rs.2236.1 Crore	CRISIL PPMMLD AAA/Stable (Reaffirmed)
Non Convertible Debentures Aggregating Rs.29167.92 Crore (Reduce from Rs.30532.92 Crore)	CRISIL AAA/Stable (Reaffirmed)
Perpetual Bonds Aggregating Rs.1000 Crore	CRISIL AAA/Stable (Reaffirmed)
Subordinated Debt Aggregating Rs.4000 Crore	CRISIL AAA/Stable (Reaffirmed)
Rs.12500 Crore Commercial Paper	CRISIL A1+ (Reaffirmed)

1 crore = 10 million

Refer to annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has assigned its 'CRISIL AAA/Stable' ratings to Rs 10,000 crore Non-convertible Debentures of HDB Financial Services Limited (HDB Finance) and reaffirmed its ratings on the bank loan facilities and other debt instruments at 'CRISIL AAA/CRISIL PPMMLD AAA/Stable/CRISIL A1+'.

CRISIL Ratings has also withdrawn its rating on the non-convertible debentures of Rs 1365 crore (See Annexure 'Details of Rating Withdrawn' for details) in-line with its withdrawal policy. CRISIL Ratings has received independent verification that these instruments are fully redeemed.

The ratings of Debt Instruments of HDB Finance continue to reflect strategic importance to and expectation of continued support from its parent and majority owner HDFC Bank Ltd (HDFC Bank; rated 'CRISIL AAA/CRISIL AA+/Stable'). The shared logo also enhances the moral obligation of HDFC Bank towards this entity. The ratings are also underpinned by the company's established presence in the retail finance space, and its healthy capitalisation.

In line with RBI's measures for Covid-19 pandemic, HDB Finance had given moratorium to its borrowers. While the collection efficiency was impacted during the initial months of the moratorium, collections had gradually improved by March'21. However, the second wave of Covid-19 pandemic has resulted in intermittent lockdowns and localised restrictions. This has led to some delays in collections in Q1FY22 due to impact on the underlying borrower cash flows, although, with easing down of lockdown restrictions towards the latter half of June 2021, collections have shown an improvement. Nevertheless, any change in the behaviour of borrowers on payment discipline can further affect delinquency levels.

HDB Finance did witness an uptick in overall delinquencies across segments during Q1FY22 due to delay in collections given localized restrictions amidst second wave. The gross non-performing assets (GNPA) increased to 7.6% as on June'21 from 3.9% as on March 31, 2021 (as per IGAAP). However, as per management, the same is expected to come down as collections have shown an improvement from June'21 onwards.

Under the RBI's August 2020 Resolution Framework for COVID-19-related Stress, HDB Finance has invoked restructuring on ~5.9% (Rs 3,650 crore) of its portfolio as on March 31, 2021. While RBI has extended the restructuring scheme till September 30, 2021, impact of the same remains to be seen.

*Tier 1 Bonds

Analytical Approach

For arriving at the ratings, CRISIL Ratings has analysed the business and financial risk profiles of HDB Finance. CRISIL Ratings has factored in the strong support that HDB Finance is expected to receive from its parent, HDFC Bank, on an ongoing basis and in times of distress.

Key Rating Drivers & Detailed Description

Strengths:

- Majority ownership by, and strategic importance to HDFC Bank:

The ratings centrally factor in support that HDB Finance receives from HDFC Bank. The company complements the parent's product portfolio and distribution network, and supports collection activities for the retail portfolio. The shared logo also

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ANNEXURE- III

APPLICATION FORM

Date: [●]

Application Form No: [●]

By: [●]

The Compliance Officer

HDB Financial Services Limited

Dear Sir,

We have read and understood the Terms and Conditions of the issue of PDIs contained in the Disclosure Documents including the Risk Factors described in the Shelf Placement Memorandum dated [●] and have considered these in making our decision to apply. We bind ourselves to these Terms and Conditions and wish to apply for allotment of these PDIs. The amount payable on application as shown below is remitted herewith. On allotment, please place our name(s) on the Register of PDI Holder(s).

(Please read carefully the instructions on the next page before filling this form)

Debt Tranche	[●]
No. of perpetual debt instruments applied (in figures)	[●]
No. of perpetual debt instruments applied (in words)	[●]
Amount (Rs. in figures)	[●]
Amount (Rs. in words)	[●]
NEFT/RTGS Details	[●]
Date	[●]

Applicant's Name & Address in full (please use capital letters)

[●]	
Telephone: [●]	Fax: [●]

Status: Banking Company () Insurance Company () Others () – please specify ()

Name of Authorised Signatory	Designation	Signature
[●]	[●]	[●]

Details of Bank Account (from which the subscription money is remitted)

Bank Name & Branch	[●]
Beneficiary Name	[●]
Nature of Account	[●]

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Account No.	<input type="checkbox"/>
IFSC/NEFT Code	<input type="checkbox"/>
UTR No. *	<input type="checkbox"/>

*** Please enclose RTGS alongwith this form.**

We hereby confirm that the payment(s) made towards subscription of the Unsecured, Rated, Listed, Perpetual Debt Instruments under Tranche [●] is made from our bank account(s).

We understand that the interest/principal will be paid to the bank accounts of the beneficiaries as per the list and details of the beneficiaries provided by the Depository i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), as on the record date. We are agreeable to holding the PDIs of the Company in dematerialised form.

Depository Details

DP Name	<input type="checkbox"/>
DP ID	<input type="checkbox"/>
Client ID	<input type="checkbox"/>

(*) We understand that in case of allotment of the perpetual debt instruments to us/our Beneficiary Account as mentioned above would be credited to the extent of perpetual debt instruments allotted.

Taxpayers PAN / GIR No.	IT Circle/Ward/District	() Not Allotted
<input type="checkbox"/>	<input type="checkbox"/>	
Tax Deduction Status	() Fully Exempt	() Tax to be deducted at Source

List of KYC docs. To be attached with the Application Form:

- Constitution Documents: Certificate of Incorporation, Certificate of commencement of Business, Memorandum & Articles of Association, Regd. Trust Deed in case of Trust, SEBI Registration Certificate in case of Mutual Fund.
- ID Proofs: Certified Copy of PAN Card, Demat Client Master Report
- Address Proof: Form 18 (under Companies Act, 1956) or INC-22 (under Companies Act, 2013) filled with ROC or Certified copy of latest utility bills
- Authorizing docs: Power of Attorney / Board Resolution with specimen signatures certified by the Company Secretary
- Any other document as specified in the Disclosure Documents or as may be demanded by the Company or as may be required to be provided under applicable law by the applicant

We understand and confirm that the information provided in the Disclosure Documents is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these PDIs, carried out our own due diligence and made our own decisions with respect to investment in these PDIs and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: (i) in case of allotment of the PDIs to us, our Beneficiary Account as mentioned above would get credited to the extent of the allotted PDIs, (ii) we must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, (iii) if the names of the Applicant in this application are not identical to and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the PDIs cannot be credited to our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application.

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We undertake that upon sale or transfer to a subsequent investor or transferee ("Transferee"), we shall convey all the terms and conditions contained herein and in this Disclosure Document to such Transferee. In the event of any Transferee (including any intermediate or final holder of the PDIs) suing the Issuer (or any person acting on its or their behalf) we shall indemnify the Issuer and also hold the Issuer and each of such person harmless in respect of any claim by any Transferee.

We confirm that the we have not been debarred from accessing the capital market or have been restrained by any regulatory authority from directly or indirectly acquiring the said securities.

For [●]
Authorised Signatory(ies)

Initial of the Officer of the company designated to keep the record

 (Tear here)

ACKNOWLEDGEMENT SLIP

Application No: [●]	Date: [●]
PDIs Tranche	Series [●]
No. of perpetual debt instruments applied (in figures)	[●]
No. of perpetual debt instruments applied (in words)	[●]
Amount (Rs. In figures)	[●]
Amount (Rs. In words)	[●]
NEFT/RTGS	[●]

For all further correspondence, please contact the Compliance Officer.

INSTRUCTIONS

- ▲ Application must be completed entirely in English, using BLOCK LETTERS.
- ▲ Procedure for Issue shall be in accordance with Electronic Book Mechanism Guidelines.
- ▲ A signature can be made either in English or in any other Indian language.
- ▲ Application Forms duly completed in all respects, must be lodged at the Company's Registered Office.
- ▲ All transfers/RTGS must be made payable to "ICCL". Details for RTGS payments are mentioned herein below:

Name of Bank	HDFC BANK
IFSC Code	HDFC0000060
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LIMITED
Name of Bank	ICICI Bank Ltd.
IFSC Code	ICIC0000106
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

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Name of Bank	YES BANK
IFSC Code	YESB0CMSNOC
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

- ▲ Cheques, cash, money orders, postal orders and stock invest will NOT be accepted.
- ▲ As a matter of precaution against possible fraudulent encashment of interest warrants due to loss/misplacement, one is requested to mention the full particulars of the bank account, as specified in the Application Form.
- ▲ Interest warrants will then be made out in favour of the bank for credit to one's account. In case the full particulars are not given, cheques will be issued in the name of the applicant at their own risk.
- ▲ One should mention their Permanent Account Number or the GIR number allotted under Income-Tax Act, 1961 and the Income-Tax Circle/Ward/District. In case where neither the PAN nor GIR number has been allotted, the fact of non-allotment should be mentioned in the Application Form in the space provided.
- ▲ The application would be accepted as per the terms of the issue outlined in the Information Document / Disclosure Document.
- ▲ The payment(s) towards subscription of the securities shall be made from the bank account(s) of the applicants.
- ▲ Please send the duly filled and signed Application Form to our corporate office address - "Ground Floor, Zenith House, Opposite Race Course Gate No.6, K K Marg, Mahalaxmi, Mumbai – 400034".

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ANNEXURE IV

Annual Report of the company for FY 2020-21, 2019-20 and 2018-19

(Kindly refer Company website: www.hdbfs.com)

FY 2020-21: https://www.hdbfs.com/sites/default/files/reports/HDB-Annual_Report_2020-21.pdf

FY 2019-20: <https://www.hdbfs.com/sites/default/files/reports/HDBFS%20Annual%20Report%202020.pdf>

FY 2018-19 :<https://www.hdbfs.com/sites/default/files/reports/Annual%20Report%202018-%202019.pdf>

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ANNEXURE V

Audited financial results for FY 2020-21 & Unaudited financials results for quarter & half year ended September 2021
(Kindly refer Company website: www.hdbfs.com)

[https://www.hdbfs.com/sites/default/files/debt/HDBFS Financial Results March 2021 signed.pdf](https://www.hdbfs.com/sites/default/files/debt/HDBFS%20Financial%20Results%20March%2021%20signed.pdf)
<https://www.hdbfs.com/sites/default/files/reports/Unaudited-QTY-&-HY-Financial-Results.pdf>

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ANNEXURE VI

Trustee Agreement

[Attached Separately]

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ANNEXURE VII

DISCLOSURE PRESCRIBED UNDER PAS-4 OF COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES), RULES, 2014



HDB FINANCIAL SERVICES LIMITED
CIN: U65993GJ2007PLC051028
RBI Registration Number: N.01.00477
PAN Number: AABCH8761M

(Incorporated on June 4, 2007, in Ahmedabad, in the name of HDB Financial Services Limited a company within the meaning of the Companies Act, 1956 and registered with the Reserve Bank of India as a Non-Banking Financial Company)

Registered Office: Radhika, 2nd Floor, Law Garden Road, Navrangpura, Ahmedabad – 380 009 **Tel:** 079-30482717

Corporate Office: Ground Floor, Zenith House, Keshavrao Khadye Marg, Opp. Race Course, Mahalaxmi, Mumbai – 400034;
Tel: 022- 49116300;

Fax: 022-49116666; **Website:** www.hdbfs.com;

Compliance Officer: Ms. Dipti Khandelwal, **Contact details of Compliance Officer:** 022-49116368

e-mail: compliance@hdbfs.com

PART A

(Pursuant to Section 42 and Rule 14(3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014)

Private Placement of upto 500 (Five Hundred) Unsecured, Rated, Listed, perpetual Debt Instruments of the face value of Rs. 1,00,00,000/- (Rupees One Crore Only) each for cash aggregating upto Rs. 500,00,00,000/- (Rupees Five Hundred 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
As per the Tranche Placement Memorandum	As per the Tranche Placement Memorandum	As per the Tranche Placement Memorandum	As per the Tranche Placement Memorandum

DISCLAIMER

This Offer Cum Application Letter contains relevant information and disclosures required for the purpose of issuing of the PDIs in accordance with Section 42 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014. The Issuer has issued a Shelf Placement Memorandum and a Tranche Placement Memorandum (in compliance with the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021) (together the “Disclosure Document(s)”), together with the Application Form to eligible investors inviting subscription to the PDIs. Any application by a person to whom the Disclosure Document(s) and/or the Private Placement Offer Cum Application Letter has not been sent by the Issuer shall be rejected without assigning any reason.

I. General Information:

A. Name, address, website, if any and other contact details of the Company, indicating both Registered office and the Corporate Office:

Issuer / Company: HDB Financial Services Limited
Registered Office: Radhika, 2nd Floor,

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Corporate Office: Law Garden Road,
Navrangpura, Ahmedabad – 380 009
Ground Floor, Zenith House,
Keshavrao Khadye Marg, Opp. Race Course,
Mahalaxmi, Mumbai – 400 034

Contact Person: Mr. Haren Parekh, Chief Financial Officer
Telephone No.: 022- 49116300
Fax: 022- 49116666
Email: compliance@hdbfs.com
Website: www.hdbfs.com

B. Date of Incorporation of the Company:

June 4, 2007

C. Business carried on by the Company and its subsidiaries with the details of branches or units, if any;

Please refer to Section E of the Shelf Placement Memorandum

D. Brief particulars of the management of the Company:

Please refer to Section E of the Shelf Placement Memorandum

E. Name, address, DIN and occupations of the directors:

Name of the Director	Designation	DIN	Address of Director	Occupation
Mr. Arijit Basu	Non-Executive Director and Chairman	06907779	Om Ratan Bldg, 7 th Floor, 70, Sir Pochkhanwala Road, Mumbai -400018	Professional
Mr. Venkatraman Srinivasan	Independent Director	00246012	73, Keshav Smruti, 88, Veer Savarkar Marg, Shivaji Park, Mumbai- 400 028	Chartered Accountant
Ms. Smita Affinwalla	Independent Director	07106628	7A, A Block, 3 rd Floor, Khalakdina Terrace, August Kranti Marg, Mumbai- 400 036	Consultant
Mr. G. Ramesh	Managing Director & Chief Executive Officer	05291597	C – 101, Ashok Gardens, Tokersey Jivraj Road, Sewree, Mumbai 400015	Service
Dr. Amla Samanta	Independent Director	00758883	13, Meera Baug, Santacruz West, Mumbai – 400054	Professional
Mr. A K Viswanathan	Independent Director	08518003	1502 Godrej Serenity, Deonar, Mumbai – 400088	Professional

F. Management's perception of Risk Factors:

Please refer to Section O of the Shelf Placement Memorandum.

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G. Details of defaults, if any, including the amounts involved, duration of default, and present status, in repayment of:

- c) Statutory Dues: Nil
- d) Debentures and interest thereon: Nil
- e) Deposits and interest thereon: Nil
- f) Loans from banks and financial institutions and interest thereon: Nil

H. Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the Issue:

Name: Ms. Dipti Khandelwal
 Designation: Company Secretary
 Address: Ground Floor, Zenith House,
 Keshavrao Khadye Marg,
 Opp. Race Course,
 Mahalaxmi, Mumbai – 400034
 Phone No.: 022- 49116300
 Email: dipti.khandelwal@hdbfs.com

I. Any Default in Annual filing of the Company under the Companies Act, 2013 or the rules made thereunder: Nil

II. Particulars of the Offer:

Financial Position of the Company for last 3 (three) financial years:

	Rs. In Crore		
Financial Particulars	2020-2021 (Ind-AS)	2019-2020 (Ind-AS)	2018-2019 (Ind-AS)
Turnover	10944.78	10756.47	8724.81
Net Profit (After Tax)	391.47	1004.85	1153.24
Networth	7716.25	7602.18	6793.52

Date of passing of Board Resolution	April 17, 2021 and August 03, 2021
Date of passing of resolution in general meeting, authorizing the offer of securities	June 25, 2021
Kind of securities offered and class of security, the total number of shares or other securities to be issued;	Aggregate issue of up to 500 (Five Hundred) Unsecured, Rated, Listed, perpetual Debt Instruments of face value of Rs. 1,00,00,000/- (Rupees One Crore Only) each, aggregating up to Rs. 500,00,00,000/- (Rupees Five Hundred Crores Only) to be issued in one or more Tranche/Series.
Price at which the security is being offered, including premium if any, along with justification of the price	As per the relevant Tranche Placement Memorandum

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Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer	Not Applicable				
Relevant date with reference to which the price has been arrived at	Not Applicable				
The class or classes of persons to whom the allotment is proposed to be made	Subject to applicable law, the categories of investors eligible to subscribe to the PDIs in this issue, when addressed directly, are all QIBs.				
The proposed time within which the allotment shall be completed	The securities shall be allotted and credited into the demat account of the investor within two days from the Deemed Date of Allotment.				
The change in control, if any, in the company that would occur consequent to the private placement	Nil				
The number of persons to whom allotment on preferential basis/private placement/ rights issue has already been made during the year, in terms of number of securities as well as price	Type of security	Nature of issue	Number of investors	No. of Securities	Issue Price (In Rs.)
	Non Convertible Debenture	Private Placement	25	48680	10,00,000.00
	Non Convertible Debenture	Private Placement	1	3230	8,97,199.00
	Non Convertible Debenture	Private Placement	3	2500	10,31,120.79
	Non Convertible Debenture	Private Placement	1	1300	7,44,777.00
	Non Convertible Debenture	Private Placement	6	5600	9,99,812.25
The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Nil, as the PDIs are being issued for cash				
Amount, which the Company intends to raise by way of securities	Aggregate issue of up to 500 (Five Hundred) Unsecured, Rated, Listed, Perpetual Debt Instruments of face value of Rs. Rs. 1,00,00,000/- (Rupees One Crore Only) each, aggregating up to Rs. 500,00,00,000/- (Rupees Five Hundred Crores Only) to be issued in one or more Tranche/Series.				
Terms of raising of securities:	Duration, if applicable:	Perpetual			
	Rate of Interest:	As per the relevant Tranche Placement Memorandum			
	Mode of Payment	NEFT / RTGS			
	Mode of Repayment	Electronic clearing services (ECS)/credit through RTGS system/funds transfer			
Proposed time schedule for which the issue/private placement offer	Tranche Opening Date: As per the relevant Tranche Placement Memorandum Tranche Closing Date: As per the relevant Tranche Placement Memorandum				

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cum application Letter is valid	Pay-in Date: As per the relevant Tranche Placement Memorandum Deemed Date of Allotment: As per the relevant Tranche Placement Memorandum					
Purpose and objects of the Issue/Offer	As per the relevant Tranche Placement Memorandum					
Contribution being made by the Promoters or directors either as part of the offer or separately in furtherance of such objects	Not Applicable					
Principal terms of assets charged as security, if applicable	Not Applicable, as the Issue is Unsecured					
The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the ongoing concern status of the Company and its future operations	Nil					
The pre-issue and post issue shareholding pattern of the company (as on date)	Sr. No	Category	Pre-issue		Post-issue	
			No. of shares held	(%) of share-holding	No. of shares held	(%) of share-holding
	A	Promoters' holding			The shareholding pattern of the Company shall remain unchanged after the Issue. The PDIs being non-convertible, there will be no change in the paid-up capital due to conversion and there will be no change in the balance of the share premium account.	
	1	Indian				
		Individual	-	-		
		Bodies Corporate	75,05,96,670	95.11		
		Sub-total	75,05,96,670	95.11		
	2	Foreign promoters	-	-		
		Sub-total (A)	75,05,96,670	95.11		
	B	Non-promoters' holding				
	1	Institutional Investors	11,00,000	0.14		
	2	Non-Institutional Investors	-	-		
		Private Corporate Bodies	8,37,661	0.11		
		Directors and	7,20,500	0.09		

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	relatives			
	Indian public	3,46,64,165	4.39	
	Others (including Non-resident Indians)	12,66,200	0.16	
	Sub-total (B)	3,85,88,546	4.89	
	GRAND TOTAL	78,91,85,216	100.00	

III. Mode of payment for subscription:

NEFT/RTGS/Electronic bank transfers on the EBP platform.

IV. Disclosure with regard to interest of directors, litigation, etc:

Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/ Issue and the effect of such interest in so far as it is different from the interests of other persons	Nil										
Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last 3 (three) years immediately preceding the year of the issue of the private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	To the best of the knowledge of the Issuer, there are no claims, investigations or proceedings before any court, tribunal or governmental authority in progress or pending against or relating to the Issuer during the last 3 (three) years, which would have a material adverse effect on the ability of the Company to make the scheduled payments in relation to the PDIs.										
Remuneration of directors (during the current year and last 3 (three) financial years)	<table> <tr> <th>Financial Year</th><th>Amount (Rs. in Crore)</th></tr> <tr> <td>2018-19</td><td>3.72</td></tr> <tr> <td>2019-20</td><td>4.10</td></tr> <tr> <td>2020-21</td><td>3.79</td></tr> <tr> <td>2021-22 (projected)</td><td>4.50</td></tr> </table>	Financial Year	Amount (Rs. in Crore)	2018-19	3.72	2019-20	4.10	2020-21	3.79	2021-22 (projected)	4.50
Financial Year	Amount (Rs. in Crore)										
2018-19	3.72										
2019-20	4.10										
2020-21	3.79										
2021-22 (projected)	4.50										

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Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of the private placement offer cum application letter including with regard to loans made or guarantees given or securities provided	As per Note 1 hereto.
Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of the private placement offer cum application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	NIL
Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last 3 (three) years immediately preceding the year of issue of the private placement offer cum application letter in the case of the Company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of the private placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries	NIL. Further, the Company does not have any subsidiary as on date.
Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action taken by the company	NIL

V. Financial Position of the Company:

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)	Share Capital (as on 30.09.2021)	Rs. (in Crore)
	Authorised 100,15,50,000 Equity Shares of Rs.10 each	1,001.55
	Issued, Subscribed and Fully Paid- up 78,91,85,216 Equity Shares of Rs.10 each	789.19
Size of the Present Offer	Issue of upto 500 (Five Hundred) Unsecured, Rated, Listed, Perpetual Debt Instruments of face value of Rs. Rs. 1,00,00,000/- (Rupees One Crore Only) each, aggregating up to Rs. 500,00,00,000/- (Rupees Five Hundred Crore Only) in one or more Tranches/ Series.	
Paid-up Capital:	The paid-up share capital after the issue will remain unchanged.	

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a. After the offer: b. After the conversion of Convertible Instruments (if applicable)									
Share Premium Account: a. Before the offer: b. After the offer:		PDIs being Non-Convertible, there will be no change in the balance of the share premium account.							
Details of the share capital of the Issuer as on September 30, 2021 :									
Date of Allotment	No. Of Equity Shares	Face Value (Rs)	Form of Consideration (other than cash, etc)	Issue Price (Rs)	Nature of allotment	Cumulative			Re-mark
						No. Of Equity shares	Equity Share Capital (Rs)	Equity Share Premium (In Rs.)	
27/08/15	1,41,600	10	Cash	Series 4C – 17.5/- Series 5B – 25/- Series 6A – 31/- Series 6B – 31/- Series 7A – 56/-	ESOS Exercise	699611476	6996114760	17900753734	For cash on account of ESOP allotment
30/11/15	5,60,950	10	Cash	Series 6B – 31/- Series 6C – 31/- Series 7A – 56/- Series 7B – 56/-	ESOS Exercise	700172426	7001724260	17922581184	For cash on account of ESOP allotment
29/09/16	3,52,900	10	Cash	Series 5C – 25/- Series 6B – 31/- Series 6C – 31/- Series 7A – 56/- Series 7B – 56/-	ESOS Exercise	700525326	7005253260	17937273084	For cash on account of ESOP allotment
29/11/2016	9,07,900	10	Cash	Series 6C – 31/- Series 7B – 56/- Series 8A – 88/-	ESOS Exercise	701433226	7014332260	18005832884	For cash on account of ESOP allotment
16/12/2016	75,60,985	10	Cash		Scheme of amalgamation	708994211	7089942110	18006082884	On account of Merger vide High Court Order
14/2/2017	3,18,640	10	Cash	Series 6C – 31/- Series 7B – 56/- Series 8A – 88/-	ESOS Exercise	709312851	7093128510	18030015604	For cash on account of ESOP allotment
23/3/2017	7,09,31,445	10	Cash	155/-	Rights issue	780244296	7802442960	28315075129	For cash on account of Rights issue
28/9/2017	5,06,660	10	Cash	Series 6C – 31/- Series 7B – 56/- Series 8A – 88/-	ESOS Exercise	780750956	7807509560	28351403009	For cash on account of ESOP allotment
5/12/2017	21,85,300	10	Cash	Series 8A – 88/-	ESOS	782936256	7829362560	28575501609	For cash

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				Series 8B – 88/- Series 9A -- 137/-	Exercise				on ac- count of ESOP al- lotment
30/5/2018	4,500	10	Cash	Series 8C – 88/-	ESOS Exercise	782940756	7829407560	28575852609	For cash on ac- count of ESOP al- lotment
4/12/2018	27,59,550	10	Cash	Series 8B – 88/- Series 8C – 88/- Series 9A -- 137/- Series 9B -- 137/- Series 10A -- 213/- Series 10B -- 213/- Series 10C -- 213/-	ESOS Exercise	785700306	7857003060	28938205459	For cash on ac- count of ESOP al- lotment
13/9/2019	1,68,700	10	Cash	Series 8C – 88/- Series 9B -- 137/- Series 10A -- 213/-	ESOS Exercise	785869006	7858690060	28964171859	For cash on ac- count of ESOP al- lotment
11/12/2019	17,10,650	10	Cash	Series 9C -- 137/- Series 10A -- 213/- Series 10B -- 213/-	ESOS Exercise	787579656	7875796560	29254342609	For cash on ac- count of ESOP al- lotment
18/11/2020	2,50,890	10	Cash	Series 10B -- 213/- Series 11A -- 274/-	ESOS Exercise	787830546	7878305460	29318729269	For cash on ac- count of ESOP al- lotment
07/12/2020	10,41,100	10	Cash	Series 10C -- 213/- Series 11A -- 274/- Series 11B -- 274/- Series 11C -- 274/-	ESOS Exercise	788871646	7888716460	29530353169	For cash on ac- count of ESOP al- lotment
25/02/2021	3,11,220	10	Cash	Series 10A -- 213/- Series 10B -- 213/- Series 10C -- 213/- Series 11A -- 274/- Series 11B -- 274/-	ESOS Exercise	789182866	7891828660	29606476249	For cash on ac- count of ESOP al- lotment
16/03/2021	2,350	10	Cash	Series 10C -- 213/-	ESOS Exercise	789185216	7891852160	29606953299	For cash on ac- count of ESOP al- lotment

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Shelf Placement Memorandum for Issue of Unsecured Rated Listed
Perpetual Debt Instruments on a private placement basis
October 25, 2021

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Details of allotments made by the Company in the last one year prior to the date of the private placement offer cum application letter for consideration other than cash and details of the consideration in each case.	Nil
Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of issue of the private placement offer cum application letter	As per Note 2 hereto.
Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)	As per Note 2 hereto.
A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of issue of the private placement offer cum application letter	As per Note 2 hereto.
Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of issue of the private placement offer cum application letter	As per Note 3 hereto.
Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company	None

Note 1: Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided

Rs. In Crore

Related Party	Nature of Relationship	Nature Of Transaction	For the year ended		
			March 31, 2021	March 31, 2020	March 31, 2019
HDFC Bank Ltd	Holding Company	Bank charges	11.98	11.06	8.39
		Charges for back office support services received / recoverable	907.26	878.53	691.56
		Charges for sales support services received / recoverable	1,233.14	1391.50	1,070.35
		Commission Expense	4.94	-	-
		Corporate logo license fees	3.72	10.26	11.98
		Dividend paid		135.11	52.54
		Fixed deposits placed	1,172.73	167.74	135.00
		Interest paid on non-convertible debentures	59.92	64.51	80.29
		Interest paid on term loan and OD account	379.94	366.13	214.24
		Interest received on fixed deposits	12.78	11.06	4.56
		Investment banking fees paid	1.26	1.42	1.97
		IPA charges	0.00	0.01	0.02
		Reimbursement of IT Expenses	2.74	2.12	0.09
		Rent paid for premises taken on sub-lease	2.42	2.27	3.31

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		Securities purchased during the year	3,115.00	1986.5	2,181.00
		Securitisation	473.06	1982.47	963.22
		Term loan availed during the year	2,350.00	4696.15	2,150.00
		Term loan paid during the year	1,959.09	2614.41	640.91
		Tele collection charges / field collection charges received / recoverable for collection services rendered	206.53	189.48	154.97
HDFC Securities Ltd.	Entities under common control	Commission on sourcing of loans	-	0.03	-
		Rent Received/Receivable from HDFC Securities for premises given on Sub-lease	0.08	0.13	0.11
Aditya Puri, Jimmy Tata, Smita Affinwalla, Venkatraman Srinivasan, G Ramesh	Directors (Key Managerial Personnel)	Director sitting fees and commission paid	0.80	0.60	0.46
		Dividend paid	-	0.11	0.28
		Salary including perquisites and allowances	3.79	4.10	3.72
		Stock Options	0.86	3.49	0.91
		Others Contribution to Funds*	0.00	0.12	0.10
HDFC Ergo General Insurance Company Limited, HDFC Life Insurance Company Limited, HDFC Trustee Company Limited	Other related parties	Insurance commission received / receivable	17.68	23.27	25.32
		Insurance premium paid	-	-	1.73
		Rent received / receivable for premises given on sub-lease	-	-	0.02
		Rent paid / payable	0.01	0.03	0.05
HDFC Asset Management Company Limited	Other related parties	Investment in mutual fund during year	1910.00	0.00	0.00
		Redemption of mutual fund during year	1910.00	0.00	0.00

*excludes amounts pertaining to gratuity and compensated absences, which are actuarially valued at the company level.

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Note 2: (a) Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of issue of private placement offer cum application letter (b) dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid) and (c) summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of issue of private placement offer cum application letter

Rs. In Crore

Particulars	FY 2020-21 (Audited)	FY 2019-20 (Audited)	FY 2018-19 (Audited)
Total Debt	50359	49804	45105
which – Non Current Maturities of			
- Long Term Borrowing	34875	31914	29135
- Short Term Borrowing	400	1405	3723
- Current Maturities of Long Term Borrowing	15084	16485	12247
Net Fixed Assets	100	134	123
Non Current Assets	41280	40229	37135
Cash and Cash Equivalents	754	356	335
Current Investments	1455	1745	567
Current Assets	19152	18385	18241
Current Liabilities	3203	2482	3062
On balance sheet assets	62641	58431	54709
Off balance sheet assets	236	402	716
Net worth	8446	8018	7178
Parameters	FY 2020-21	FY 2019-20	FY 2018-19
Total revenue	10945	10756	8725
Net Interest Income	4605	4152	3379
Profit before tax	501	1464	1724
Profit after tax	391	1005	1153
Dividend declared	NIL	Nil	Final Rs 1.80 per share (18%)
Interest Coverage Ratio [(Cash profits after tax + interest paid) / interest paid]	1.13	1.27	1.36

Note 3: Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of issue of private placement Offer cum application letter:

Please refer to Section F of the Shelf Placement Memorandum

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PART B– APPLICATION LETTER*

(To be filed by the Applicant)

- (i) Name
- (ii) Father's name
- (iii) Complete Address including Flat/House Number, street, Locality, pin Code
- (iv) Phone number, if any
- (v) email ID, if any
- (vi) PAN Number
- (vii) Bank Account Details

Signature

Initial of the Officer of the company designated to keep the record

***Addressed applicants may please send the dully filled and signed Application Form (enclosed as Annexure) to our corporate office address- "Ground Floor, Zenith House, Opposite Race Course Gate No.6, K K Marg, Mahalaxmi, Mumbai – 400034".**

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ANNEXURE VIII

BOARD RESOLUTION AND THE SHAREHOLDER RESOLUTION



HDB Financial Services Limited
 Ground Floor, Zenith House,
 Keshavrao Khadye Marg,
 Opp. Race Course, Mahalaxmi,
 Mumbai - 400034.
 Tel : 022 - 4911 6300
 Fax : 022 - 4911 6666
 Web : www.hdbfs.com
 CIN : U65993GJ2007PLC051028
 Email ID : compliance@hdbfs.com

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF HDB FINANCIAL SERVICES LIMITED AT ITS MEETING HELD ON SATURDAY, APRIL 17, 2021 AT 04:30 P.M. AT BOARD ROOM, GROUND FLOOR, ZENITH HOUSE, KESHAVRAO KHADYE MARG, MAHALAXMI, MUMBAI - 400034

TO APPROVE TERMS OF ISSUE OF PERPETUAL DEBT INSTRUMENT

"RESOLVED THAT pursuant to the Reserve Bank of India's Master Direction No. RBI/DNBR/2016-17/45 DNBR_PD_008/03.10.119/2016-17 dated September 01, 2016 and Section 71 and 179 of the Companies Act, 2013, read with applicable rules and regulations made there under, as amended from time to time, and subject to the approval of the members of the Company by way of a special resolution in the ensuing shareholders' meeting of the Company as per Section 42 of the Companies Act, 2013, read with applicable rules and regulations made there under, the consent of the Board be and is hereby accorded to borrow funds by issue of Perpetual Debt Instruments ('PDIs') on private placement basis in one or more tranches as may be decided by the Management, upto Rs. 500 crore Only (Rupees Five Hundred Crore Only), and within the overall limit of borrowing as approved by the members pursuant to Section 180 (1)(c) of the Companies Act, 2013, from time to time, on the date of issue on the following broad terms and conditions of PDIs issuance:

Issuer	HDB Financial Services Ltd. ('the Issuer' / 'the Company' / 'the Borrower')
Amount	Upto Rs. 500 crore in aggregate in various tranches, as may be decided by the management. (Issue of all tranches collectively referred to as 'Issue')
Seniority of Claim	Seniority in claim settlements to equity investors but however are subordinate to senior creditors, including unsecured subordinated debentures.
Instrument	Unsecured Perpetual Debt Instrument (PDI)
Object of Issue	For regular business activities including its financing / lending activities, working capital and general corporate purposes in compliance with the provisions of Applicable Laws.
Face Value	Rs. 10,00,000 each
Credit Rating	"AAA/Stable" by CRISIL and CARE
Tenor	Perpetual
Put / Call Option	As may be decided by the management
Step-up option	As may be decided by the management
Redemption	As may be decided by the management
Interest rate	As may be decided by the management as per market conditions
Interest payment	Annual or such other frequency as may be decided for each series subject to TDS.
PDI Trustees	Axis Trustee Services Limited or such other agency as the Company may appoint from time to time.
Lock-In	As may be decided by the management
Deemed Date of Allotment	Within 4 working days from the issue close date.
Discount	The PDI Instruments shall not be subjected to a progressive discount for capital adequacy purposes since these are perpetual.
Minimum Subscription	10 PDIs and in multiple of 1 PDI thereafter
Listing	On the Wholesale Debt Market (WDM) Segment of the BSE Limited ('BSE') or such other stock exchanges as may be required.



Registered Office : Radhika, 2nd Floor, Law Garden Road, Navrangpura, Ahmedabad - 380 009.

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Business Day Convention	If the coupon payment date, falls on a Sunday or a holiday the coupon payment shall be made on the next working day. If the maturity date, falls on a Sunday or a holiday, the redemption proceeds shall be paid on the previous working day.
Settlement	Payment of interest and repayment of principal shall be made by way of cheque(s) / interest / redemption warrant(s)/ demand draft(s) / credit through RTGS / ECS system / to Bank Account
Issuance Format	In dematerialized form

RESOLVED FURTHER THAT any of the Directors of the Company and Chief Financial Officer (collectively referred as the 'Authorized Signatories'), be and are hereby severally authorized to discuss, negotiate and finalize the terms and conditions for each tranche(s) of PDIs with the investor(s) and agree to such changes and modifications in the said terms and conditions as they deem fit;

RESOLVED FURTHER THAT the Authorized Signatories be and are hereby severally authorized on behalf of the Company to sign the Information Memorandum(s) / Private Placement Offer cum Application Letter(s), to finalize terms and conditions, for appointment of PDI Trustee, Registrar to the Issue, Arranger(s), Collecting Banker(s) and such other agencies, as may be required for the proposed PDI Issue;

RESOLVED FURTHER THAT the Authorized Signatories be and are hereby severally authorized on behalf of the Company to execute any such formal contract, agreements, applications, deeds, indemnities, guarantees and such other documents, as may be required for the PDIs issue, for submitting with Stock Exchange(s), National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) in connection with allotment, dematerialization, listing of the proposed PDIs and to do all such acts, deeds, matters and things, as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in order to give effect to this resolution;

RESOLVED FURTHER THAT the Authorized Signatories be and are hereby severally authorized on behalf of the Company to sign and file all such forms and returns with the Ministry of Corporate Affairs, Reserve Bank of India, the BSE Limited and such other authorities and to do all such acts, deeds and things as may be necessary and as they may in their absolute discretion deem necessary to comply with applicable provisions of the Companies Act, 1956 and/or the Companies Act, 2013 and Rules made thereunder including applicable RBI Circulars (as may be amended from time to time);

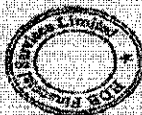
RESOLVED FURTHER THAT the Authorized Signatories are severally authorized to delegate any of the powers and responsibilities conferred herein by the aforesaid resolutions, to any of the employees / officials of the Company from time to time;

RESOLVED FURTHER THAT the common seal of the Company shall be affixed wherever necessary in presence of any of the Authorized Signatories;

RESOLVED FURTHER THAT a copy of the aforesaid resolutions certified to be true by any one of the aforesaid authorized signatories of the Company or the Company Secretary of the Company be furnished to appropriate authorities for their records and necessary action thereon."

Certified True Copy
For HDB Financial Services Limited

Dipti Khandelwal
Company Secretary
Membership No. F11340



October 20, 2021

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HDB Financial Services Limited
Ground Floor, Zenith House,
Keshavnagar Khadye Marg,
Opp. Race Course, Mahatma,
Mumbai - 400034.
Tel: 022 - 39586300
Fax: 022 - 39586666
Web: www.hdbfs.com
CIN: U65999GJ2000PLC051028
Email ID: compliance@hdbfs.com

**CERTIFIED TRUE COPY OF SPECIAL RESOLUTION PASSED BY THE MEMBERS OF THE
COMPANY AT THEIR 14TH ANNUAL GENERAL MEETING HELD ON FRIDAY, JUNE 25, 2021 AT
12 NOON THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS**

**AUTHORITY TO ISSUE REDEEMABLE NON-CONVERTIBLE DEBENTURES AND/OR OTHER
HYBRID INSTRUMENTS ON PRIVATE PLACEMENT BASIS**

"RESOLVED THAT pursuant to the provisions of Section 42 & 71 and all other applicable provisions, if any of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, and Companies (Prospectus and Allotment of Securities) Rules, 2014, Master direction of Reserve Bank of India for Non-Banking Financial Company dated September 01, 2016 ("RBI Master Direction"), the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment, modification, variation or re-enactment to any of the foregoing and other applicable laws, guidelines, direction, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee(s) constituted to be constituted by the Board, from time to time, to exercise its powers conferred by this resolution) to offer and/or invite for issue of Redeemable Non-Convertible Debentures (NCDs), secured or unsecured, fixed rate or market/benchmark linked and/or any other hybrid instruments (not in the nature of equity shares) including but not limited to Subordinated Bonds, Perpetual Debt Instruments which may or may not be classified as being additional Tier I or Tier II capital under the provisions of the RBI Master Direction, on private placement basis, in one or more tranches, with the consent being valid for a period of 1 (one) year from the date hereof, on such terms and conditions including the price, coupon, premium/discount, tenor etc., as may be determined by the Board of Directors (or any other person so authorised by the Board of Directors), based on the prevailing market condition;

RESOLVED FURTHER THAT the aggregate amount to be raised through the issuance of NCDs and/or any other hybrid instruments including but not limited to Subordinated Bonds, Perpetual Debt Instruments pursuant to the authority under this Resolution aggregating up to Rs. 11,654.90 crore (Rupees Eleven Thousand Six Hundred Fifty Four Crore and Ninety Lakh Only) under one or more shelf disclosure document(s) and/or under one or more letter(s) of offer as may be issued by the Company and in one or more series;

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee(s) constituted to be constituted by the Board, from time to time to exercise its powers conferred by this resolution thereof), be and is hereby authorised to do all such acts, deeds, matters and things and to execute all such agreements, documents, instruments, applications etc. as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the aforesaid Resolution as it may in its sole discretion deem fit and to delegate all or any of its powers herein conferred to any of the Directors and/or Officers of the Company, to give effect to this Resolution."

Certified true copy
For HDB Financial Services Limited

Dipti Khadsewal
Company Secretary
M. No. A25582



July 1, 2021

Registered Office : Radhika, 2nd Floor, Law Garden Road, Navrangpura, Ahmedabad - 380 009.

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HDB Financial Services Limited
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 Opp. Race Course, Mahalaxmi,
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 Tel : 022 - 39586300
 Fax : 022 - 39586886
 Web : www.hdbfs.com
 CIN : U65993GJ2007PLC051028
 Email id : compliance@hdbfs.com

CERTIFIED TRUE COPY OF THE EXPLANATORY STATEMENT TO THE NOTICE OF THE 14TH ANNUAL GENERAL MEETING HELD ON FRIDAY, JUNE 25, 2021 AT 12 NOON THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS

Item No. 4

The Company has been raising funds by offer and/or invite for issuing redeemable Non-Convertible Debentures, secured or unsecured, fixed rate or market/benchmark mark linked and/or any other hybrid instruments (not in the nature of equity shares) including but not limited to Subordinated Bonds, Perpetual Debt Instruments which may or may not be classified as being additional Tier I or Tier II capital (hereinafter referred to as "Debt Securities") on private placement basis, from time to time.

In terms of Section 71 which deals with the issue of debentures read with Section 42 of the Companies Act, 2013, which deals with the offer or invitation for subscription of Debt Securities of the company on private placement basis read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company can make private placement of its Debt Securities only after receipt of prior approval of its shareholders by way of a special resolution. The Companies (Prospectus and Allotment of Securities) Rules, 2014 further provides that the said special resolution must be passed in respect of all offers/invitations for the Debt Securities to be issued during a year and such a special resolution is required to be passed every year.

The shareholders at the 13th Annual General Meeting held on June 30, 2020 had accorded their approval to the Company for issuance of Non-Convertible Debentures as mentioned below:

- A. Non-Convertible Debentures (NCDs) up to a limit of Rs.18,108.80 crore which included existing limit of Rs. 10,809.80 crore and new limit of Rs. 7,300.00 crore for NCDs. As on March 31, 2021 the Company had raised NCDs of Rs. 8,455.00 crore. The limit of Rs. 8,654.80 crore is available for further issuance of NCDs.
- B. Market Linked Debentures (MLDs) up to a limit of Rs. 2,236.10 crore. As on March 31, 2021 the Company had raised MLDs of Rs. 236.10 crore. The limit of Rs. 2,000.00 crore is available for further issuance of MLDs.
- C. Subordinated Bonds (Sub Debts) up to a limit of Rs. 358.50 crore. Out of the said limit, the Company had raised Rs. 358.50 crore as on March 31, 2021.
- D. Perpetual Debt Instruments (PDIs) up to a limit of Rs. 500 crore. No issue of PDIs were done during the FY 2020-21 hence, the limit of Rs. 500 crore continues to exist for issuance of PDIs.

In terms of the requirements of Resource Planning Policy of the Company and Business planning for the FY 2021- 22, it is expected that the Company will issue Debt Securities which shall exceed the aforesaid limit. The NCDs proposed to be issued by the Company will be issued for cash either at par or premium or at a discount to face value depending upon the prevailing market conditions.

Further the Board, at its meeting held on April 17, 2021, had approved above outstanding limit of Debt Securities and fresh issue of Sub Debts of Rs. 500 crore, subject to the approval of shareholders. Hence, shareholders are requested to approve limit of NCDs, MLDs, Sub Debts and PDIs for issuance of Rs. 8,654.80 crore, Rs. 2,000 crore, Rs. 500 crore and Rs. 500 crore respectively.

Pursuant to the notification dated August 07, 2018, by which Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 has been amended, it is now mandated that certain disclosures are required to be made in the explanatory statement annexed to the notice for shareholders' approval under Section 42 of the Companies Act, 2013.

The disclosures required pursuant to Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 are set out herein below:



Registered Office : Radnika, 2nd Floor, Law Office, Navrangpura, Ahmedabad - 380 009.

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- a) Particulars of the offer including date of passing of board resolution: This special resolution is being passed in terms of the third proviso to Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 for the issuance of Debt Securities, from time to time, for the period of 1(one) year from the date hereof and accordingly this question is not applicable at present. The particulars of each offer shall be determined by the Board (including any committee duly authorised by the Board thereof), from time to time.
- b) Kinds of securities offered and price at which security is being offered: This special resolution is restricted to the private placement issuance of Debt Securities, with the terms of each issuance being determined by the Board (including any committee duly authorised by the Board thereof), from time to time, for each issuance.
- c) Basis or justification for the price (including premium, if any) at which offer or invitation is being made: Not applicable at this stage. This will be determined by the Board (including any committee duly authorised by the Board thereof), from time to time, for each issuance.
- d) Name and address of valuer who performed valuation: Not applicable at this stage. This will be determined by the Board (including any committee duly authorised by the Board thereof), from time to time, for each issuance.
- e) Amount which the company intends to raise by way of such securities: As may be determined by the Board of Directors from time to time but subject to the limits approved under Section 42 of the Companies Act, 2013 of up to Rs. 11,654.50 crore (Rupees Eleven Thousand Six Hundred Fifty Four Crore and Ninety Lakh Only).
- f) Material terms of raising such securities, proposed time schedule, purposes or objects of offer, contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects; principle terms of assets charged as securities: This special resolution is being passed in terms of the third proviso to Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 for the issuance of NCDs, from time to time, for the period of 1 (one) year from the date hereof and accordingly this question is not applicable at present. The particulars of each offer shall be determined by the Board (including any committee duly authorised by the Board thereof), from time to time.

In view of the aforesaid, the Board of Directors at its meeting held on April 17, 2021, has approved issuance of Debt securities in one or more tranches, on private placement basis and within the overall borrowing limit of Rs. 80,000 crore (Rupees Eighty Thousand Crore Only).

Accordingly, the approval of the Members is being sought by way of special resolution as set out at item No. 4 of this Notice authorising the Board to issue NCDs and/or any other hybrid instruments (not in the nature of equity shares) which may or may not be classified as being Tier II capital under the provisions of the RBI Master Directions, for an aggregate amount not exceeding Rs. 11,654.50 crore (Rupees Eleven Thousand Six Hundred Fifty Four Crore and Ninety Lakh Only) on private placement basis during a period of one year from the date of this AGM.

The Board, accordingly, recommends the passing of the special resolution as set out at item No. 4 of this Notice, for the approval of the Members.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in the said resolution, except to the extent of NCDs that may be subscribed by companies/firms in which they are interested.

Certified true copy
 For HDB Financial Services Limited

Dipfi Khosla
 Company Secretary (M. No. A28852)
 July 1, 2021



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Shelf Placement Memorandum for issue of Unsecured Rated Listed
Perpetual Debt Instruments on a private placement basis
October 25, 2021

Shelf Placement Memorandum issued in conformity with Chapter V of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Operational Circular for issue and listing of Non-convertible Securities dated August 10, 2021 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.



HDB Financial Services Limited
 Ground Floor, Zenith House,
 Keshavrao Khadye Marg,
 Opp. Race Course, Mahalaxmi,
 Mumbai - 400034.
 Tel : 022 - 4911 6300
 Fax : 022 - 4911 6666
 Web : www.hdbfs.com
 CIN : U65993GJ2007PLC051028
 Email ID : compliance@hdbfs.com

CERTIFIED TRUE COPY OF THE CIRCULAR RESOLUTIONS PASSED BY THE BOARD OF DIRECTORS OF HDB FINANCIAL SERVICES LIMITED ON TUESDAY, AUGUST 3, 2021

REVISION IN TERMS OF ISSUE OF PERPETUAL DEBT INSTRUMENT

"RESOLVED THAT pursuant to the resolution passed by the shareholders in its 14th Annual General Meeting held on June 25, 2021 and in partial modification to the resolution passed by the Board of Directors in its meeting held on April 17, 2021 and pursuant to the Reserve Bank of India's Master Direction No. RBI/DNBR/2016-17/45 DNBR, PD 008/03.10.119/2016-17 dated September 01, 2016 and Section 42 and 71 of the Companies Act, 2013, read with applicable rules and regulations made there under, as amended from time to time, as also the National Securities Depository Limited's circular dated July 12, 2021 (bearing reference number NSDL/CIR/II/17/2021), the Board of Directors hereby approves the following revised terms and conditions for issuance of Perpetual Debt Instrument:

Face Value	As prescribed under applicable law, including by any regulatory authority or securities depository
Minimum Subscription	As prescribed under applicable law, including by any regulatory authority or securities depository

RESOLVED FURTHER THAT any Director of the Company, Key Managerial Person of the Company, Designate CFO be and are hereby severally authorised to finalise/ execute / sign the amendment to the Trustee Agreement, amendment to the Trust Deed, amendments to the term sheet, letters, writings or any other document executed by and between the Company and the Trustee or any other document issued by the Company in relation to the proposed issuance of the Perpetual Debt Instruments and do all such acts, deeds, things necessary and incidental to give effect to the above resolution."

Certified True Copy
For HDB FINANCIAL SERVICES LIMITED

Dipti Khendelwal
Company Secretary
Membership No. F11340



October 20, 2021

Registered Office : Radhika, 2nd Floor, Law Garden Road, Navrangpura, Ahmedabad - 380 009.

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ANNEXURE IX

IN-PRINCIPLE APPROVAL OF STOCK EXCHANGE

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188



DCS/COMP/SU/IP-PPDI/271/21-22

October 21, 2021

HDB Financial Services Limited

Radhika, 2nd Floor, Law Garden Road, Navrangpura, Ahmedabad – 380 009.

Dear Sir,

Re: Private Placement 500 Unsecured, Rated, Listed, Perpetual Debt Instruments of face value of Rs. 1,00,00,000/- each, aggregating up to Rs. 500 Crores only (the "PDIs"), on private placement basis to be issued in one or more tranches/series (The "Issue")

We acknowledge receipt of your application on the online portal on October 20, 2021 seeking in-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.
2. Payment of fees as may be prescribed from time to time.
3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.
4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.
5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time
6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:

<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31>

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance – Bombay Stock Exchange Limited (bseindia.com)

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

9. Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.

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T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC159188



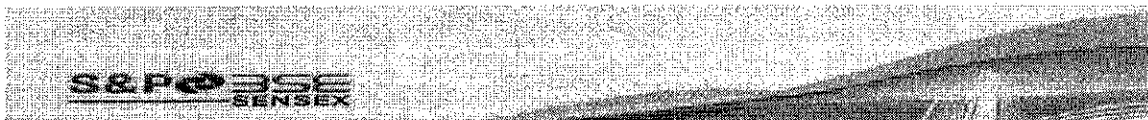
This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,

For BSE Limited

Sd/-
Rupal Khandelwal
Assistant General Manager

Sd/-
Raghavendra Bhat
Deputy Manager



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ANNEXURE X

FORMAT OF TRANCHE PLACEMENT MEMORANDUM

Tranche [●]

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Tranche Placement Memorandum for Issue of Unsecured Rated Listed Perpetual
Debt Instruments on a private placement basis
[●], 2021



HDB FINANCIAL SERVICES LIMITED

CIN: U65993GJ2007PLC051028

RBI Registration Number: [●]

PAN Number: [●]

(Incorporated on June 4, 2007, in Ahmedabad, in the name of HDB Financial Services Limited a company within the meaning of the Companies Act, 1956 and registered with the Reserve Bank of India as a Non-Banking Financial Company)

Registered Office: Radhika, 2nd Floor, Law Garden Road, Navrangpura, Ahmedabad – 380 009 **Tel:** +91 079-30482717

Corporate Office: Ground Floor, Zenith House, Keshavrao Khadye Marg, Opp. Race Course, Mahalaxmi, Mumbai – 400034; **Tel:** 022- 49116300;

Fax: 022-49116666; **Website:** www.hdbfs.com;

Compliance Officer: Ms. Dipti Khandelwal, **Contact details of Compliance Officer:** [●]

e-mail: compliance@hdbfs.com

Tranche Placement Memorandum for Tranche No. [●] under Shelf Placement Memorandum dated [●]

Date: [●]

Type of Placement Memorandum: Private Placement

Private Placement of upto [●] ([●]) Unsecured, Rated, Listed, Perpetual Debt Instruments ("Tranche [●] PDIs") of the face value of Rs. 1,00,00,000/- (Rupees One Crore Only) each for cash aggregating upto Rs. [●] (Rupees [●] Crore only) issued under the Shelf Placement Memorandum dated [●], 2021 as amended / supplemented from time to time.

This Tranche Placement Memorandum is issued in terms of and pursuant to the Shelf Placement Memorandum dated [●]. All the terms, conditions, information and stipulations contained in the Shelf Placement Memorandum are incorporated herein by reference as if the same were set out herein. Investors are advised to refer to the same. This Tranche Placement Memorandum must be read in conjunction with the Shelf Placement Memorandum and the Private Placement Offer Cum Application Letter. All capitalised terms used but not defined herein shall have the meaning ascribed to them in the Shelf Placement Memorandum.

This Tranche Placement Memorandum contains details of this Tranche of private placement of Tranche [●] PDIs and any material changes in the information provided in the Shelf Placement Memorandum, as set out herein. Accordingly, set out below are the updated particulars / changes in the particulars set out in the Shelf Placement Memorandum, which additional / updated information / particulars shall be read in conjunction with other information / particulars appearing in the Shelf Placement Memorandum. All other particulars appearing in the Shelf Placement Memorandum shall remain unchanged.

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CREDIT RATING

Details of credit rating along with reference to the rating letter issued (not older than one month on the date of the opening the issue) by the rating agencies in relation to the Issue is disclosed as follows. The detailed press release of the Credit Rating Agencies along with rating rationale(s) adopted (not older than one year on the date of opening of the Issue) is also disclosed:

CARE Ratings Limited has assigned a "CARE AAA Stable" (pronounced "CARE Triple A with stable outlook") and CRISIL Ratings Limited has assigned a "CRISIL AAA/Stable" (pronounced "CRISIL Triple A with stable outlook") rating to the captioned Issue. As per CARE and CRISIL's rating letter(s), instruments with this rating are considered to have a high degree of safety regarding timely servicing of financial obligations and such instruments carry very low credit risk. Investors may please note that the rating is not a recommendation to buy, sell or hold securities and investors should take their own decisions. The rating agency has the right to suspend, withdraw or revise the rating / outlook assigned to the Issue at any time, on the basis of new information or unavailability of information or other circumstances which the rating agency believes may have an impact on the rating.

Date of Rating Letters: [●] by CARE Ratings Limited and [●] by CRISIL Ratings Limited
Date of Press Release of Ratings: [●] by CARE Ratings Limited and [●] by CRISIL Ratings
Press Release and Rating Rationale: As Annexed hereto

SECTION I

UPDATED FINANCIAL INFORMATION

Any changes in Section F (*Financial Information*) of the Shelf Placement Memorandum:

I. Gross Debt: Equity Ratio of the Company

Before the Issue	[●]
After the Issue	[●]

[●]

II. A columnar representation of the audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for a period of three completed years which shall not be more than six months old from the issue opening date, as applicable.

Standalone Audited Financial Statement

[●]

Consolidated

As on even date the Issuer does not have any subsidiary. The standalone and consolidated financial information would be the same and the Financial Information as disclosed above shall apply.

III. Unaudited financial information for stub period.

[Listed issuers (whose debt securities or specified securities are listed on recognised stock exchange(s)) in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, may disclose unaudited financial information for the stub period in the format as prescribed therein with limited review report in the placement

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memorandum, as filed with the stock exchanges, instead of audited financial statements for stub period, subject to making necessary disclosures in this regard in placement memorandum including risk factors.]

IV. Any other changes

[●]

SECTION II

OTHER MATERIAL CHANGES

Any other material changes in the information contained in the Shelf Placement Memorandum:

[●]

SECTION III

SUMMARY TERM SHEET FOR TRANCHE [●] PDIs

Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year) e.g. 8.70% XXX 2015.	[●]
Issuer	HDB Financial Services Limited
Type of Instrument	Unsecured, Rated, Listed, Perpetual Debt Instruments
Nature of Instrument	Unsecured
Seniority	i. Superior to the claims of investors in Equity Shares of the Company; and ii. Subordinated to the claims of all other creditors of the Company (but pari-passu inter se the holders of the PDIs)
Mode of Issue	Private placement
Eligible Investors	Please refer paragraph "Who can apply" of the Shelf Placement Memorandum
Details of Arrangers (if any)	Regd Address: [●] Corporate Address: [●] Name of contact person: [●] E-mail: [●] Fax: [●] Tel No: Website: [●]
Listing	The Tranche [●] PDIs are proposed to be listed on the Wholesale Debt Market (WDM) Segment of the BSE Ltd within a maximum period of 4 (Four) trading days from the Issue Closing Date. In accordance with the SEBI Debt Listing Regulations, in case of a delay by the Company in listing the Tranche [●] PDIs beyond 4 (Four) trading days from the Issue Closing Date, the Company shall (i) make payment to the PDI Holders of 1% (One Percent) per annum over the Coupon Rate from the Deemed Date of Allotment till the listing of such Tranche [●] PDIs; and (ii) be permitted to utilize the issue proceeds of its subsequent two privately

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	placed issuances of securities only after having received final listing approval from BSE in respect of the listing of the Tranche [●] PDIs.
Rating of the Instrument	[●]
Issue Size	The aggregate size of the Issue is for upto Rs. 500,00,00,000/- (Rupees Five Hundred Crores only) out of which this Issue of Tranche [●] PDIs is for upto Rs. [●]- (Rupees [●] only).
Base Issue and Green Shoe Option	[●]
Tranche Size	[●]
Minimum Subscription	Rs. 1,00,00,000/- (Rupees One Crore Only)
Option to retain oversubscription (Amount)	As per the relevant Tranche Placement Memorandum
Objects of the Issue / Purpose for which there is requirement of funds The Issuer shall provide granular disclosures in their placement memorandum, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".	[●]
Details of the utilization of the Proceeds.	[●]
In case the Issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:	The proceeds of the Issue will not be utilised for providing loans to any group company.
Consolidation of ISINs	The Company shall have the right/shall be entitled to add additional securities (for such additional amounts as may be issued by the Company from time to time) to the existing ISINs from time to time in accordance with the terms as set out in the Shelf Placement Memorandum.
Coupon Rate	[●]
Step Up/Step Down Coupon Rate	[●]
Coupon Payment Frequency	[●]
Coupon Payment Dates	[●]
Coupon Type	[●]
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.).	[●]
Day Count Basis	Actual/ Actual
Interest on Application Money	Interest at the respective Coupon Rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Tranche [●] PDIs for the period starting from and including the date of realization of application money in the Issuer's bank account up to one day prior to the Deemed Date of

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	Allotment.
Default Interest Rate	<p>In case of default in payment of Coupon and/ or redemption of the principal amount of the PDIs on the respective due dates, additional interest of at least 2% (Two Percent) per annum over and above the Coupon Rate shall be payable by the Company for the defaulting period until the defaulted amount together with the delay penalty is paid.</p> <p>Where the Company fails to execute the trust deed within the period specified by SEBI, then without prejudice to any liability arising on account of violation of the provisions of the Securities and Exchange Board of India Act, 1992 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Company shall also pay interest of at least 2% (Two Percent) per annum or such other rate, as specified by SEBI to the PDI Holders, over and above the Coupon Rate, till the execution of the Trust Deed.</p>
Tenor	Perpetual
Redemption Date	<p>N.A.</p> <p>The Outstanding Principal Amount of the PDIs, together with accrued but unpaid coupon and additional interest, if any, may be redeemed by the Company only on a Call Option Date and by exercising Call Option (if there is any), subject however to the prior approval in writing of the RBI. The PDIs will not carry any obligation, for Coupon or otherwise, after redemption has occurred and all amounts due have been paid.</p> <p>In the event that the Company is required to redeem the outstanding principal amount of the PDIs in full or in part, or pay any monies in respect thereof including accrued Coupon, before the Call Option Date, due to change in Applicable Laws or under the terms of the Trust Deed including on the occurrence of an Event of Default, the Company shall ensure that it shall obtain all requisite approvals, if any, of the RBI or any other applicable authorities and such redemption and payment shall be subject to receipt of such approvals, as applicable.</p>
Redemption Amount	N.A.
Redemption Premium/ Discount	N.A.
Issue Price	Rs. 1,00,00,000/- (Rupees One Crore Only) per PDIs
Discount at which security is issued and the effective yield as a result of such discount.	N.A.
Put Option Date	N.A.
Put Option Price	N.A.
Call Option Date	[●]
Call Option Price	[●]
Put Notification Time	N.A.
Call Notification Time	[●]
Rollover Option	[●]
Face Value	Rs. 1,00,00,000/- (Rupees One Crore Only) per PDI
Minimum Application and in multiples of __ Debt securities thereafter	1 PDI and in multiples of 1 PDI thereafter.
Issue Timing	[●]

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Issue/ Bid Opening Date	[●]
Issue/ Bid Closing Date	[●]
Date of earliest closing of the issue, if any.	[●]
Pay-in Date	[●]
Deemed Date of Allotment	[●]
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	<p>The pay-in of subscription monies for the PDIs shall be made by way of transfer of funds from the bank account(s) of the eligible investors (whose bids have been accepted) as registered with the EBP into the account of the relevant clearing corporation, as specified below, in accordance with the procedure and timelines prescribed in the Electronic Book Mechanism Guidelines and the Operational Guidelines of the EBP.</p> <p>For amounts payable by the Issuer to any PDI Holder pursuant to the terms of the Transaction Documents, Cheque(s)/ electronic clearing services (ECS)/credit through RTGS system/funds transfer to the specified bank account of the PDI Holder shall be the mode of settlement.</p>
Depository(ies)	NSDL and CDSL
Business Day	Means any day of the week (excluding non-working Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) (as may be amended/supplemented from time to time) in Mumbai and any other day on which banks are closed for customer business in Mumbai) on which the money market is functioning in Mumbai and "Business Days" shall be construed accordingly.
Business Day Convention	<p>If any Coupon Payment Date in respect of the Tranche [●] PDIs falls on a day which is not a Business Day, then the immediately succeeding Business Day shall be the due date for such payment, however, the dates of the future Coupon payments in respect of such Tranche [●] PDIs would be as per the schedule originally stipulated in the relevant Tranche Placement Memorandum. In other words, the subsequent Coupon payment schedule would not be disturbed merely because the payment date in respect of one particular Coupon payment has been postponed earlier because of it having fallen on non-Business Day.</p> <p>If the Redemption Date (including the last Coupon Payment Date) or the due date in respect of liquidated damages (if any) and all other monies payable under Tranche [●] PDIs falls on a day which is not a Business Day, then the immediately preceding Business Day shall be the due date for such payment.</p>
Disclosure of Interest/Dividend / redemption dates	Please see the section on 'Coupon Rate' and 'Redemption Date' above.
Record Date	The date which will be used for determining the PDI Holder(s) who shall be entitled to receive the amounts due on any due date, which shall be the date falling 15 (Fifteen) calendar days prior to any due date.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	As set out in Note 1 to the 'Summary Term Sheet' under the Shelf Placement Memorandum.

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Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/hypothecation/ mortgage etc.), date of creation of security/likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the PDI holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/Shelf Placement Memorandum.	Not Applicable, as the Issue is Unsecured
Transaction Documents	This Shelf Placement Memorandum, Tranche Placement Memorandum, Trust Deed, Trustee Agreement and the Private Placement Offer Cum Application Letter, as amended from time to time, and any other document that may be designated by the Trustee as a Transaction Document.
Conditions Precedent to Disbursement	<ul style="list-style-type: none"> (i) The Issuer shall deliver to the Trustee, a certified true copy of the Issuer's constitutional documents, registration certificate and certificate of incorporation, as amended up-to-date; (ii) The Issuer shall deliver to the Trustee, consent letter from the Trustee conveying their consent to act as Trustees for the PDI Holder(s); (iii) The Issuer shall deliver to the Trustee, a certified true copy of the corporate authorisations of the Issuer authorising the issue of PDIs and also the execution of the necessary documents in that behalf; (iv) The Issuer shall obtain the in-principle approval for listing the PDIs on the WDM segment of the Stock Exchange; (v) The Issuer shall deliver to the Trustee, a copy of the rating letters in relation to the PDIs issued by the Rating Agencies; <p>Such other Conditions Precedent as set out in the Transaction Documents.</p>
Conditions Subsequent to Disbursement	<ul style="list-style-type: none"> (i) Filing of the return of allotment within the timelines specified under the Act and the rules made thereunder; (ii) Completion of listing of the PDIs on the WDM segment of the Stock Exchange; (iii) Credit of the PDIs in the demat account(s) of the allottees; <p>Such other Conditions Subsequent as set out in the Transaction Documents.</p>
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	As per Note 2 of the Shelf Placement Memorandum.
Creation of recovery expense fund	<p>Details and purpose of the recovery expense fund:</p> <ul style="list-style-type: none"> i. The Company shall maintain Recovery Expense Fund as per the provisions of SEBI (Debenture Trustees) Regulations, 1993 and any circulars, guidelines and regulations issued by SEBI, as applicable. The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the security (if any) in accordance with the transaction

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	<p>documents.</p> <p>ii <u>Creation of Recovery Expense Fund</u>: The Company shall deposit cash or cash equivalents including bank guarantees towards the contribution to Recovery Expense Fund with the designated stock exchange and submit relevant documents evidencing the same to the Trustee from time to time. The Company shall ensure that the bank guarantees remains valid for a period of six months post the maturity date of the PDIs. The Company shall keep the bank guarantees in force and renew the bank guarantees at least seven working days before its expiry, failing which the designated stock exchange shall invoke such bank guarantee.</p> <p>iii <u>Utilisation of Recovery Expense Fund</u>: In the event of default, the Trustee shall obtain the consent of PDI Holders for enforcement of security (if any) and shall inform the same to the designated stock exchange. The amount lying in the Recovery Expense Fund shall be released by the designated stock exchange to the Trustee within five working days of receipt of such intimation. The Trustee shall keep a proper account of all expenses incurred out of the funds received from Recovery Expense Fund.</p> <p>iv <u>Refund of Recovery Expense Fund to the Company</u>: The balance in the Recovery Expense Fund shall be refunded to the Company on repayment to the PDI Holders for which a 'No Objection Certificate (NOC)' shall be issued by the Trustee(s) to the designated stock exchange. The Trustee shall satisfy that there is no 'default' on any other listed debt securities of the Company before issuing the NOC.</p>
Conditions for breach of covenants (as specified in Trust Deed)	As set out under the head " All covenants of Issue " and " Events of Default " in the Shelf Placement Memorandum.
Provisions related to Cross Default Clause	[●]
Role and Responsibilities of Trustee	To oversee and monitor the overall transaction for and on behalf of the PDI Holders as customary for transaction of a similar nature and size and as executed under the appropriate Transaction Documents.
Risk factors pertaining to the Issue	As per the " Risk Factors " mentioned in Section O below.
Governing Law and Jurisdiction	The Issue shall be governed by and construed in accordance with Indian Law. The courts and tribunals in Mumbai shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the PDIs or the Transaction Documents.
Mode of bidding in the Issue	[●]
Manner of settlement	Through Indian Clearing Corporation Limited (ICCL) as per the details set out below
Settlement cycle	[●]
Manner of allotment	[●]
Minimum Bid Lot	Rs.1,00,00,000 (Rupees One Crore Only) and in the Multiples of Rs. 1,00,00,000/- (Rupees One Crore Only) thereafter.

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Perpetual Debt Instruments on a private placement basis
October 25, 2021

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<p>Terms and conditions of trustee agreement including fees charged by trustees(s), details of security to be created and process of due diligence carried out by the trustee</p>	<p>Please refer to Annexure VI of the Shelf Placement Memorandum.</p> <p>Due diligence on continuous basis</p> <p>i. The Trustee shall carry out due diligence on continuous basis to ensure compliance by the Company, with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Debenture Trustee) Regulations, 1993, the listing agreement of the stock exchange(s) where the PDIs are listed, this Deed and any other regulations issued by SEBI pertaining to debt issuance.</p> <p>ii. For the purpose of carrying out the due diligence as required in terms of the SEBI Debenture Circulars, the Trustee, either through itself or through its authorised agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical experts/management consultants appointed by the Trustee.</p> <p>iii. the Company shall promptly disclose and furnish to the Trustee, all documents/ information about or in relation to the Company or the PDIs, as requested by the Trustee to fulfil its obligations hereunder or to comply with any Applicable Law, including in relation to filing of its reports/ certification to stock exchange within the prescribed timelines.</p> <p>iv. the Company shall submit documents/ information as the Trustee may require to conduct continuous and periodical due diligence and, if applicable, monitoring of Security created/assets on which security interest/ charge is created, which shall inter alia include-</p> <ol style="list-style-type: none"> a) periodical status/ performance reports from the Company within seven days of the relevant board meeting of the Company or within 45 days of the respective quarter, whichever is earlier; b) details with respect to defaults, if any, with regard to payment of interest or redemption of PDIs; c) details with respect to the implementation of the conditions regarding debenture redemption reserve and Recovery Expense Fund; d) if applicable, details with respect to the assets of the Company and of the guarantors, if any, to ensure that they are sufficient to discharge the interest and principal amount at all times and that such assets are free from any other encumbrances except those which are specifically agreed to by the debenture holders; e) reports on the utilization of funds raised by the issue of PDIs; f) details with respect to conversion or redemption of the PDIs;
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- g) details with respect to dispatch of the debenture certificates and interest warrants (wherever applicable), credit of the PDIs in the demat account of the PDI Holders and payment of monies upon redemption of PDIs to the PDI Holders due to them within the stipulated time period in accordance with the Applicable Law.
- h) if applicable, reports from the lead bank regarding the progress of the project;
- i) details regarding monitoring of utilisation of funds raised in the issue of PDIs;
- j) certificate from the statutory auditors of the Company:
- i. in respect of utilisation of funds during the implementation period of the project; and
 - ii. in the case of debentures issued for financing working capital, at the end of each accounting year.
- k) such other documents or information as may be required by the Trustee in accordance with the Applicable Law.
- v. The Company shall –
- (a) provide such documents/information and assistance to the Debenture Trustee as required by the Debenture Trustee to carry out the necessary due diligence and monitor the asset cover on a quarterly basis in the manner as may be specified by SEBI from time to time;
 - (b) submit a certificate from the statutory auditor on a half-yearly basis, giving the value of receivables/book debts, and maintenance of asset cover as per the terms of Offer Document/ Information Memorandum and/or this Deed including compliance with the covenants of the Offer Document/Information Memorandum in the manner as may be specified by the Board from time to time.
- vi. The Company shall submit the following reports/ certification to the Trustee within the timelines mentioned below:

Reports/Certificates	Timelines for submission Requirements to Trustee	TimeLine for submission of reports/ certifications by Trustee
Asset cover Certificate	Quarterly basis within 30 days from end of each quarter or within such timelines as prescribed under Applicable Law	Quarterly basis within 60 days from end of each quarter or within such timelines as prescribed under Applicable Law
A statement of value of pledged securities		
A statement of value for Debt Service Reserve Account or any other form		

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	of security offered (if any)		
	Net worth certificate of guarantor (secured by way of personal guarantee)	Half yearly basis within 30 days from end of each half-year or within such timelines as prescribed under Applicable Law	Half yearly basis within 60 days from end of each half-year or within such timelines as prescribed under Applicable Law.
	Financials/value of guarantor prepared on basis of audited financial statement etc. of the guarantor(secured by way of corporate guarantee)	Annual basis within 45 days from end of each financial year or within such timelines as prescribed under Applicable Law.	Annual basis within 75 days from end of each financial year or within such timelines as prescribed under Applicable Law.
	Valuation report and title search report for the immovable/movable assets, as applicable		
vii. The Trustee may at any time through its authorized representatives and agents, inspect books of account, records, registers of Company and the trust property to the extent necessary for discharging its obligations and the Company shall provide full and unimpeded access to the records, registers and books of accounts and facilitate in the inspection and due diligence process. Any reasonable and actual fees, costs expenses incurred in conducting such inspection/due diligence process shall be fully borne by the Company. In the event, any fees, costs expenses are borne by the Trustee, it shall be reimbursed forthwith by the Company upon request."			
Terms of raising of securities	Duration, if applicable:	[•]	
	Rate of Interest:	[•]	
	Mode of Payment	NEFT / RTGS	
	Mode of Repayment	Electronic clearing services (ECS)/credit through RTGS system/funds transfer	
The Issuer shall maintain hundred per cent. asset cover sufficient to discharge the principal amount at all times for the non-convertible debt securities issued. The Company shall provide a half-yearly certificate regarding maintenance of hundred percent asset cover including compliance with all the covenants, in respect of listed non-convertible debt securities, by the statutory auditor, along with the financial results.			

General Notes:

- If there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change shall be disclosed by the Company.
- The list of documents which has been executed in connection with the issue and subscription of debt securities is annexed with this Tranche Placement Memorandum.

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Illustration of Cashflows

Name of the Issuer	HDB Financial Services Limited
Face Value (per security)	Rs. 1,00,00,000/- (Rupees One Crore Only) per PDI
Deemed Date of Allotment	[•]
Tenure and Redemption Date	[•]
Coupon Rate	[•]
Frequency of the interest payment with specified dates	[•]
Day Count Convention	Actual/Actual

*Since _____ would be falling on _____, interest payment due on that day will be made on the next working day (as per SEBI's Operational Circular). All other interest calculations remain same.

Scenario 1: When Call Option is Exercised			
Cash Flows	Day and date for coupon/ redemption becoming due	No. of Days for denominator	Amount in Rupees
1st coupon			
2nd coupon			
3rd coupon			
4th coupon			
5th coupon			
Total			

Scenario 1: When Call Option is Not Exercised			
Cash Flows	Day and date for coupon/ redemption becoming due	No. of Days for denominator	Amount in Rupees
1st coupon			
2nd coupon			
3rd coupon			
4th coupon			
5th coupon			
Total			

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MANNER OF SETTLEMENT

- The eligible investors should complete the funds pay-in to the designated bank account of the Indian Clearing Corporation Ltd (ICCL) by 10:30 am on T+1 day.
- The participants must ensure to do the funds pay-in from the same bank account which is updated by them in the EBP platform while placing the bids.
- The Designated Bank Accounts of ICCL are as under:

Name of Bank	HDFC BANK
IFSC Code	HDFC0000060
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LIMITED

Name of Bank	ICICI Bank Ltd.
IFSC Code	ICIC0000106
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

Name of Bank	YES BANK
IFSC Code	YESB0CMSNOC
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

- In the event of the issue getting withdrawn, the funds refund would be initiated on T+1 day.
- In case of mismatch in the bank account details between bidding platform and the bank account from which payment is done by the eligible investors, the payment would be returned back. Further, pay-in received from any other bank account may lead to cancellation of bid and consequent debarment of the bidder from accessing EBP Platform for 30 days.
- Securities Settlement: Depositories will credit the securities to the demat account of the respective investor.

For HDB Financial Services Limited

Authorised Signatory

Name: [●]

Title: [●]

Date: [●]

Encl:

1. Press Release for Credit Rating and Rating Rating Rationale
2. PAS-4 for Tranche [●] PDIs



महाराष्ट्र MAHARASHTRA

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BA 454061

THIS STAMP PAPER FORMS A PART &
PARCEL OF TRUSTEE AGREEMENT EXECUTED
BETWEEN HDB FINANCIAL SERVICES LTD
& AXIS TRUSTEE SERVICES LTD, DATED
FEBRUARY 05, 2021

प्रधान मुद्रांक कार्यालय, मुंबई
प.मु.वि.क्र. ८०००००९
19 JAN 2021
सक्षम अधिकारी

श्री. दि. क. गवई



TRUSTEE AGREEMENT

This Trustee Agreement ("Agreement") made at Mumbai, Maharashtra on this 5th day of February Two Thousand and Twenty One between:-

HDB FINANCIAL SERVICES LIMITED, a company incorporated and registered under the Companies Act, 1956 and registered with the Reserve Bank of India as a systematically important non-deposit taking non-banking financial company and having its Registered Office at Radhika, 2nd Floor, Law Garden Road, Navrangpura, Ahmedabad - 380009, Gujarat and Corporate Office at Ground Floor, Zenith House, Opp. Race Course, Gate No-6, KK Marg, Mahalaxmi, Mumbai- 400034, Maharashtra (hereinafter called the "**Company**" which expression shall, unless excluded by or repugnant to the context or meaning thereof, include its successors in office and assigns) of **ONE PART**;

AND

AXIS TRUSTEE SERVICES LIMITED, a company within the meaning of the Companies Act, 2013 (1 of 2013) and having its Registered Office at Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400025 (hereinafter called the "**Trustee**" which expression shall, unless excluded by or repugnant to the context or meaning thereof, include its successors in office and assigns) of the **OTHER PART**.

The Company and the Trustee shall be individually referred to as a "**Party**" and collectively as "**Parties**".

WHEREAS:

- A. With a view to raising debt and to augment the resources of the Company for regular business activities including its financing / lending activities, working capital and general corporate purposes in compliance with the provisions of Applicable Laws or as may be specified in the relevant Disclosure Document, the Company proposes to issue up to 5000 (Five Thousand) Rated, Listed, Unsecured, Subordinated, Perpetual Debt Instruments in the nature of Non-Convertible Debentures each having a face value of Rs.10,00,000/- (Rupees Ten Lakhs only) of the aggregate nominal value of up to Rs.500,00,00,000/- (Rupees Five Hundred Crore only) in one or more Tranches/Series (hereinafter referred to as the "**PDIs**") on cash at par on private placement basis in accordance with the provisions of the Act and the regulations applicable to issue of debentures notified by Securities Exchange Board of India ("**SEBI**"), from time to time to certain identified investors ("**Issue**").
- B. The Company has, vide the resolution of the Board of Directors passed at its meeting held on May 13, 2020 and resolution of the shareholders passed on June 30, 2020, authorised the issuance of the PDIs. Accordingly, the Company pursuant to the aforesaid resolution and the resolution of the shareholders passed on June 30, 2020 under Section 180(1)(c) of the Act, proposes to issue the PDIs for cash at par on private placement basis on the terms and conditions as set out in the Trust Deed (as defined hereinafter) and the Disclosure Document;
- C. The Company shall have the PDIs listed on the Wholesale Debt Market segment of BSE Limited ("**BSE**") or any other recognized stock exchange in India, in accordance with the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (as amended from time to time) as soon as possible and in no event later than 4 (Four) trading days from the relevant Issue Closure Date;
- D. Pursuant to the Act, Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Debenture Trustees) Regulations 1993 as amended, varied or modified from time to time the Company is required to appoint a trustee to act in trust for the benefit of the holders of the PDIs from time to time ("**PDI Holders**").
- E. The Company has approached the Trustee to act as the trustee for the PDI Holders and the Trustee has vide letter no. ATSL/CO/20-21/0137, dated January 14, 2021 ("**Trustee Consent Letter**"), agreed to act as the trustee for the benefit of the PDI Holders of the proposed issue of the PDIs. The copy of the Trustee Consent Letter is annexed hereto as the **Annexure**.



- F. The Trustee is registered with the SEBI as a trustee under the Securities and Exchange Board of India (Debenture Trustees) Regulations 1993.
- G. Accordingly, the Company and the Trustee have agreed to execute this Agreement being these presents on the terms and conditions agreed upon and hereinafter set out.

NOW IT IS AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

Capitalised words and expressions used herein and defined in the Trust Deed shall have the meaning respectively assigned to such words and expressions in the Trust Deed.

1. The Company hereby appoints the Trustee as the trustee for the PDI Holders of all the Tranches/Series of the PDIs aggregating up to Rs. 500,00,00,000/- (Rupees Five Hundred Crore Only) to be issued by the Company from time to time and the Trustee hereby agrees to act as the trustee for the PDI Holders. The Trustee and the Company shall on or around the date hereof also enter into a trust deed (hereinafter referred to as the "Trust Deed") and such other documents as may be required from time to time in relation to the PDIs.
 2. The Company shall pay to the Trustees so long as they hold the office of the Trustee, remuneration for their services as the Trustee ("Trustee Fees") in addition to all legal, travelling and other costs, charges and expenses which the Trustee or their officers, employees or agents may incur in relation to execution of the Trust Deed and all other documents executed/to be executed to give effect to the issue of PDIs. The remuneration of the Trustee shall be as per the Trustee Consent Letter as may be amended/modified from time to time. Arrears of Trustee Fees if any, shall carry interest at the rate of 1% (one percent) per month from the date till the actual payment, which shall be payable on the footing of compound interest.
 3. Arrears of instalments of Trustee Fees, if any, shall carry interest at the rate as applicable under the Micro, Small and Medium Enterprises Development Act, 2006, as amended from time to time.
 4. The Company shall comply with the provisions of Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (as amended from time to time), Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (as amended from time to time), Uniform Listing Agreement as prescribed in SEBI's circular no. CFD/CMD/6/2015 dated October 13, 2015, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended from time to time), the Act and other applicable provisions. Further the Company undertakes to comply with all regulations/provisions of Act, guidelines of other regulatory authorities in respect of allotment of debentures.
 5. The Company undertakes to promptly furnish all and any information as may be required by the Trustee in terms of the Act, applicable SEBI regulations, other Applicable Laws and the Trust Deed on a regular basis till the redemption of the PDIs, including without limitation the following documents, as may be applicable:
 - a. Memorandum and Articles of Association;
 - b. Disclosure Document / Private Placement Offer cum Application Letter in relation to the issue of PDIs;
 - c. The necessary corporate authorisations by way of board resolution and/or shareholder resolution necessary for the Issue and the creation of security thereunder;
 - d. This Agreement;
 - e. Letters from credit rating agencies about ratings;
 - f. Proof of credit of the PDIs in favour of the PDI Holders.
 - g. Depository details with whom PDIs are held in dematerialised form;
 - h. Latest annual report;
 - i. Trust Deed;
- Certified true copy of the resolution for allotment of PDIs;



- k. Confirmation/proofs of payment of interest and principal made to the PDI Holders on due dates as per the terms of the Trust Deed and Statutory auditor's certificate for utilization of funds/issue proceeds (annually);
- l. Periodical reports / information on quarterly/ half yearly / annual basis as required to be submitted to Stock Exchanges under the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (as amended from time to time), Uniform Listing Agreement as prescribed in SEBI's circular no. CFD/CMD/6/2015 dated October 13, 2015, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended from time to time);
- m. Beneficiary position reports as provided by the registrar;
- n. In-principle approval for listing of the PDI on BSE;
- o. Acknowledgement of filing Disclosure Document/ Private Placement Offer cum Application Letter with the BSE/ Registrar of Companies;
- p. Listing & trading permission from the BSE;
- q. Such other documents as may be reasonably required by the Trustee.

6. AUTHORIZATION AND CONSENTS

All actions (including corporate actions), conditions and things required to be taken, fulfilled and done (including the obtaining of any consents, if applicable) by the Company in order (a) to enable it to lawfully enter into, exercise its rights and perform and comply with its obligations under this Agreement, (b) to ensure that those obligations are legally binding and enforceable, and (c) to make this Agreement admissible in evidence in the courts of India have been taken, fulfilled and done in strict compliance with all Applicable Laws.

Any payment in respect of the PDIs required to be made by the Trustee to a PDI Holder (who is a foreign institutional investor or a qualified foreign investor or foreign portfolio investor) at the time of enforcement would, if required by Applicable Law, be subject to the prior approval of Reserve Bank of India for such remittance through an authorized dealer. The Company/ relevant PDI Holder shall obtain all such approvals, if required, to ensure prompt and timely payments to the said PDI Holder.

- 7. The Company hereby declares and confirms that the Company or the person in control of the Company, or its promoter has not been restrained or prohibited or debarred by the SEBI from accessing the securities market or dealing in securities.

8. BENEFIT OF AGREEMENT

This Agreement shall enure to the benefit of and be binding on the Parties and their respective successors and permitted assigns of each Party.

The Trustee, "*ipso facto*" does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by the PDI Holders.

9. EXPENSES

The Company shall, pay on demand, all actual costs and expenses (including legal fees) incurred by the Trustee in connection with the preparation, negotiation of or entry into this Agreement and/or any amendment of, supplement to or waiver in respect of this Agreement, against submission of the requisite supporting documents. Apart from the Trustee Fees, the Company shall, from time to time, make payment to/ reimburse the Trustee in respect of all expenses and out-of-pocket costs incurred by the Trustee to the extent of Rs.50,000/- only.

10. STAMP DUTY

The Company shall promptly pay, and in any event before any interest or penalty becomes payable, any stamp, documentary, registration or similar tax payable in connection with the entry



into, registration, performance, enforcement or admissibility in evidence of this Agreement and/or any such amendment, supplement or waiver.

11. **CONFIDENTIALITY**

The information received by any of the Parties to this Agreement relating to the other Party (hereinafter referred to as "**Confidential Information**") shall be kept in the strictest confidence and shall not be divulged or disclosed to any person, other than such of the directors, officers, employees, advisors and accountants of the recipient Party on a need to know basis in accordance with the intent and purpose of this Agreement, provided always that each such person to whom Confidential Information is disclosed shall have been made aware of its confidential nature prior to such disclosure by the disclosing Party expressly marking or stating as confidential such Confidential Information and each such person to whom the Confidential Information is disclosed shall also keep the same in the strictest confidence and shall not divulge or disclose the same to any other person.

The restriction set forth above shall not apply to any part of the Confidential Information, which:

- (i) is known at the time of disclosure to the recipient Party, or thereafter, becomes part of the public domain, other than as a result of the acts or omissions of the recipient Party, its directors, officers or employees; or
- (ii) is required to be disclosed by judicial, administrative or stock exchange process, any enquiry, investigation, action, suit, proceeding or claim or otherwise by applicable law or by any other regulatory authority; or
- (iii) is required to be disclosed by the Company or the Trustee to the PDI Holders or to a rating agency or any other third party pursuant to the terms of the Trust Deed or other documents executed pursuant thereto.

12. **GOVERNING LAW AND JURISDICTION**

This Agreement shall be governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof will be subject to the exclusive jurisdiction of the courts at Mumbai, Maharashtra and that accordingly, any suit, action or proceedings arising out of or in connection with this Agreement may be brought before such courts. This Clause shall survive the termination of this Agreement.

13. **WAIVER**

No failure by any Party to exercise, nor any delay by any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy, prevent any further or other exercise thereof or the exercise of any other right or remedy. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by and available under the Applicable Law or the Trust Deed or the other documents executed pursuant thereto. No notice to or demand on any Party in any case shall entitle that Party to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the other Party to any other or further action in any circumstances without notice or demand.

14. **COMMUNICATIONS**

Any notice, demand, communication or other request (individually, a "**Notice**") to be given or made under this Agreement shall be in writing. Such Notice shall be delivered by hand, registered mail/speed post (postage prepaid) or recognized overnight courier service or e-mail or facsimile to the Party to which it is addressed at such Party's address specified below or at such other address as such Party shall from time to time have designated by 5 (Five) days' prior written Notice. Provided however, that in case of a Notice delivered by facsimile or e-mail, the Party delivering such Notice shall also deliver a copy of the same by hand, registered mail/speed post (postage prepaid) or through a recognized overnight courier service. It is clarified that the time of delivery or deemed delivery of any such Notice delivered by facsimile or email and followed by



the delivery of a physical copy as aforesaid shall be determined based on the original facsimile or email as opposed to the delivery of the physical copy as aforesaid.

Notice by the Parties to each other and the PDI Holder(s) shall be deemed effectively given and received upon delivery in person, or 1 (One) Business Day after delivery by recognised overnight courier service, if sent for next business day delivery or on receipt by the sender of a transmission report showing successful transmission if sent by facsimile transmission or 5 (Five) Business Days after deposit via certified or registered mail, return receipt requested, or in case of e-mail at the time of the sending thereof (provided no delivery failure notification is received by the sender within 24 hours of sending such email) in each case addressed as below:

(i) **Company**

HDB Financial Services Limited

Address: Ground Floor, Zenith House,
Opp. Race Course, Gate No-6,
K K Marg, Mahalaxmi,
Mumbai- 400034

Attention: Ms. Dipti Khandelwal - Company Secretary

Email: dipti.khandelwal@hdbfs.com

Tel. No.: 022-49116368 / 39586368

Fax No. (H.O.): 022 - 49116666 / 39586666

(ii) **Trustee**

Axis Trustee Services Limited

Address: The Ruby, 2nd floor, Senapati Bapat Marg, Dadar West, Mumbai 400 022

Attention: Head of Operations

Email: debenturetrustee@axistrustee.com

Tel. No.: 022 - 6230 0605

Fax No.: +91 22 6230 0700

All information exchanged/ to be exchanged between the Parties may, notwithstanding anything contained in this Clause 14 (*Communications*), be exchanged in the manner mentioned herein below:

- (i) Company to the Trustee: Either by facsimile or courier. However, an email can be sent as an initial communication followed by either facsimile or courier.
- (ii) PDI Holder(s) to the Trustee: Written communication by means of email(s) received from the Majority PDI Holder(s) or Super Majority PDI Holders (as the case may be).

This Clause 14 (*Communications*) shall survive the termination or expiry of this Agreement.

15. **COUNTERPARTS**

This Agreement may be signed in any number of counterparts, all of which taken together and when delivered to the Trustee shall constitute one and the same instrument.

16. **PARTIAL INVALIDITY**

The illegality, invalidity or unenforceability of any provision of this Agreement under the law of any jurisdiction shall not affect its legality, validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision.

17. **FURTHER ASSURANCES**

The Parties hereby agree to execute and do such further documents, assurances, deeds, acts or things as may be necessary to give full effect to the provisions herein contained.



Annexure

Trustee Consent Letter

ATSLCD20-210137
January 14, 2021

HDB FINANCIAL SERVICES LIMITED
Ground Floor, Zenith House, Opp. Race Course,
Gate No-6, RK Marg, Mahalaxmi,
Mumbai-400034

Kind Attn: Anurag Gauril

Dear Sir/Ma'am,

Sub: Consent to act as Debenture Trustee for listed unsecured perpetual non-convertible Debentures (INCDs) aggregating up to Rs.500 Crores proposed to be issued by HDB Financial Services Limited ("Issuer Company")

We, Axis Trustee Services Limited, hereby give our consent to act as the Debenture Trustee for the above mentioned issue of Debentures having a tenure of more than one year and are agreeable to the inclusion of our name as Debenture Trustee in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum and/or application to be made to the Stock Exchange for the listing of the said Debentures.

Axis Trustee Services Limited (ATSL) consenting to act as Debenture Trustees is purely its business decision and not an indication on the Issuer Company's standing or on the Debenture issue. By consenting to act as Debenture Trustees, ATSL does not make nor deems to have made any representation on the Issuer Company, its Operations, the details and projections about the Issuer Company or the Debentures under Offer made in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document. Applicants / Investors are advised to read carefully the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document and make their own enquiry, carry out due diligence and analysis about the Issuer Company, its performance and profitability and details in the Shelf Prospectus/ Private Placement offer letter/ Information Memorandum / Offer Document before taking their investment decision. ATSL shall not be responsible for the investment decision and its consequence.

We also confirm that we are not disqualified to be appointed as Debentures Trustee within the meaning of Rule 18(2)(c) of the Companies (Share Capital and Debentures) Rules, 2014.

Yours truly,
For Axis Trustee Services Limited
RAHUL
RAMCHANDRA
VAISHYA
Rahul Vaishya
Assistant General Manager

Digitally signed by RAHUL
RAMCHANDRA
VAISHYA
DN: cn=RAHUL RAMCHANDRA
VAISHYA, o=Axis Trustee Services
Limited, c=IN

Corporate Identity Number: U70907MH2009PLC182344 | MSME Registration Number: MH/MSME/031595
Registered Office:
656 House, Borebay (Opp. Wita Compound, Pandurang) Southern Marg, Worli, Mumbai - 400 025
Corporate Office:
The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Colaba West, Mumbai - 400 028
Tel No: 022-63300421 Fax No: 022-6330 0700 Website: www.axis-trustee.com

 **AXIS TRUSTEE**



IN WITNESS WHEREOF the Common Seal of the Company has been hereunto affixed and the Trustee has caused these presents to be executed the day and year first hereinabove written in the manner hereinafter appearing.

THE COMMON SEAL of the **HDB Financial Services Limited** pursuant to the resolution of its Board of Directors passed in that behalf on the 13th day of May, 2020 has been hereunto affixed in the presence of Mr. Haren Parekh, Chief Financial Officer, its authorized signatory.

For HDB Financial Services Limited

Haren
Authorized Signatory



SIGNED AND DELIVERED by the withinamed **AXIS TRUSTEE SERVICES LIMITED** in its capacity as Trustee by the hands of
Swati Bhatnagar, AGM
an authorized official of the Axis Trustee Services Limited

Authorized Signatory

Swati Bhatnagar
For AXIS TRUSTEE SERVICES LTD.



महाराष्ट्र MAHARASHTRA

2021

BF 774294

THIS STAMP PAPER FORMS A PART &
PARCEL OF AMENDMENT DEED EXECUTED
BETWEEN HDB FINANCIAL SERVICES LTD
& AXIS TRUSTEE SERVICES LIMITED,
DATED OCTOBER 19, 2021

प्रधान मुद्रांक कार्यालय, मुंबई
प.मु.वि.क्र. ८०००००९
27 AUG 2021
सक्षम अधिकारी



श्री. सा. टि. आबकर

AMENDMENT DEED

This **AMENDMENT DEED** to the Trustee Agreement ("**Amendment Deed**") is made at Mumbai on this 19th day of October 2021

BETWEEN

HDB FINANCIAL SERVICES LIMITED, a company incorporated and registered under the Companies Act, 1956 and registered with the Reserve Bank of India as a systemically important non-deposit taking non-banking financial company and having its registered office at Radhika, 2nd Floor, Law Garden Road, Navrangpura, Ahmedabad – 380009 and corporate office at Ground Floor, Zenith House, Opp. Race Course, Gate No-6, KK Marg, Mahalaxmi, Mumbai- 400034, Maharashtra, hereinafter called "**the Company**" (which expression shall, unless excluded by or repugnant to the context or meaning thereof, include its successors in office and assigns) of the **ONE PART**;

IN FAVOUR OF

AXIS TRUSTEE SERVICES LIMITED, a company within the meaning of the Companies Act, 2013 (1 of 2013) and having its registered office at Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400 025, hereinafter called the "**Trustee**" (which expression shall, unless excluded by or repugnant to the context or meaning thereof, include its successors in office and permitted assigns) of the **OTHER PART**.

The Company and the Trustee are hereinafter collectively referred to as the "**Parties**" and individually as a "**Party**".

WHEREAS:

- A. We refer to the proposed issuance of unsecured, rated, listed, perpetual debt instruments in the nature of non-convertible debentures, aggregating up to Rs. 500,00,00,000/- (Rupees Five Hundred Crores only) by the Company ("**PDIs**"), in dematerialised form on a private placement basis. Capitalised terms used in this letter but not defined herein shall have the meaning assigned to such terms in the Trustee Agreement.
- B. The Trustee has, at the request of the Company, agreed to act as the Trustee for the benefit of the PDI Holders from time to time and the Parties entered into a trustee agreement dated February 05, 2021 ("**Trustee Agreement**") *inter alia* setting out the terms and conditions upon which the PDIs are issued and recording the terms and conditions governing *inter alia* the role, duties, functions and powers of the Trustee.
- C. The Company has requested the Trustee for amending certain provisions of the Trustee Agreement. Pursuant thereto, the Trustee has agreed to amend certain provisions of the Trustee Agreement in the manner hereinafter appearing.
- D. Accordingly, the Parties are desirous of executing an Amendment Deed in the manner hereinafter appearing.



NOW THIS AMENDMENT DEED WITNESSETH and it is hereby agreed and declared by and between the Parties hereto as follows:

1. The recitals set forth hereinabove shall form an integral part of this Amendment Deed.
2. Any capitalised term used in this Amendment Deed unless otherwise defined or appearing contrary to the intention of the Parties, shall have the meaning set out in the Trustee Agreement.
3. The Parties agree to amend the Trustee Agreement as set out in the **Annexure I** hereto which amendments shall be an integral part of the Trustee Agreement and shall be construed as a single agreement.
4. This Amendment Deed shall form an integral part of the Trustee Agreement and shall be read along with the Trustee Agreement. All references in the Trustee Agreement to "this Agreement" or "this Trustee Agreement" shall include a reference to this Amendment Deed, wherever the context so requires. Further, reference to the Trustee Agreement in any other document shall be deemed to be reference to the Trustee Agreement as amended and modified by this Amendment Deed.
5. This Amendment Deed shall modify the agreement and the understanding set out in the Trustee Agreement, as applicable, only to the limited extent set out herein. Save and except as specifically and expressly amended by this Amendment Deed, all other provisions of the Trustee Agreement shall remain unchanged and in full force and effect and shall continue to remain applicable and binding on the Parties.
6. In the event of conflict between the terms of this Amendment Deed and the provisions of the Trustee Agreement, the provisions of this Amendment Deed shall prevail in relation to the matters set out herein.
7. The amendments set out in this Amendment Deed shall be effective from the date of execution of this Amendment Deed.

8. Applicable Law and Jurisdiction

- 8.1 This Amendment Deed and any matters relating to this Amendment Deed shall be governed by and construed in accordance with Clause 12 (*Disputes and Governing Law*) of the Trustee Agreement.



IN WITNESS WHEREOF the signature of the Authorised Signatory of the Company has been hereunto affixed and the Trustee have caused these presents to be executed the day and year first hereinabove written in the manner hereinafter appearing.

SIGNED AND DELIVERED by **HDB FINANCIAL SERVICES LIMITED**, has been hereunto affixed in the presence of Haren Parekh (Chief Financial Officer), Authorised Signatory of the Company who has subscribed his signature hereto in token thereof

For HDB Financial Services Limited

Authorized Signatory

SIGNED AND DELIVERED by **AXIS TRUSTEE SERVICES LIMITED** the within named Trustee by the hand of ~~Mr./Ms.~~ Makarand Kulkarni, Authorised Signatory who has subscribed his signature hereto in token thereof

For Axis Trustee Services Limited

Authorised Signatory

ANNEXURE I

- 1.1 The Parties hereby agree and confirm that the clauses of the Trustee Agreement set out in the first column (*Clause Reference*) of the table set out hereinafter (which currently reads as set out in the second column (*Existing Provision*) of the table set out hereinafter) shall be amended to read as set out in the third column (*Amended Provision*) of the table set out hereinafter:

Clause Reference	Existing Provision	Amended Provision
Recital A.	With a view to raising debt and to augment the resources of the Company for regular business activities including its financing / lending activities, working capital and general corporate purposes in compliance with the provisions of Applicable Laws or as may be specified in the relevant Disclosure Document, the Company proposes to issue up to 5000 (Five Thousand) Rated, Listed, Unsecured, Subordinated, Perpetual Debt Instruments in the nature of Non-Convertible Debentures each having a face value of Rs.10,00,000/- (Rupees Ten Lakhs only) of the aggregate nominal value of up to Rs.500,00,00,000/- (Rupees Five Hundred Crore only) in one or more Tranches/Series (hereinafter referred to as the " PDIs ") on cash at par on private placement basis in accordance with the provisions of the Act and the regulations applicable to issue of debentures notified by Securities Exchange Board of India (" SEBI "), from time to time to certain identified investors (" Issue ").	With a view to raising debt and to augment the resources of the Company for regular business activities including its financing / lending activities, working capital and general corporate purposes in compliance with the provisions of Applicable Laws or as may be specified in the relevant Disclosure Document, the Company proposes to issue of Rated, Listed, Unsecured, , Perpetual Debt Instruments in the nature of Non-Convertible Debentures each having a face value as set out in the Disclosure Documents, aggregating up to Rs.500,00,00,000/- (Rupees Five Hundred Crore only) in one or more Tranches/Series (hereinafter referred to as the " PDIs ") on cash at par on private placement basis in accordance with the provisions of the Act and the regulations applicable to issue of debentures notified by Securities Exchange Board of India (" SEBI "), from time to time to certain identified investors (" Issue ").

- 1.2 On and from the date hereof, references to the term "Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008" in the Trustee Agreement shall be deemed to include "Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021" and the "Securities and Exchange Board of India's Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021 (bearing reference no. SEBI/HO/DDHS/P/CIR/2021/613, as the context may require, and as may be amended or supplemented from time to time.

