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**EXAMINATION REPORT ON THE RESTATED CONSOLIDATED FINANCIAL
INFORMATION OF HDB FINANCIAL SERVICES LIMITED**

Date: April 16, 2025

The Board of Directors
HDB Financial Services Limited
Radhika, 2nd Floor
Law Garden Road, Navrangpura
Ahmedabad 380 009
Gujarat, India

**Independent Auditors' Examination Report on the Restated Consolidated Financial Information
prepared in connection with the proposed initial public offering of equity shares of HDB Financial
Services Limited**

- (1) We, G D Apte & Co., Chartered Accountants and Kalyaniwalla & Mistry LLP, Chartered Accountants, the current joint statutory auditors of HDB Financial Services Limited (the "**Company**" or the "**Issuer**") have jointly examined, the attached **Restated Consolidated Financial Information** of the Company and its erstwhile controlled structured entities (together referred to as the "**HDB Group**"), which comprises of the Restated Consolidated Statement of Assets and Liabilities of the HDB Group as at March 31, 2025, March 31, 2024 and March 31, 2023, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash Flows of the HDB Group for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the Summary of Material Accounting Policies, and other explanatory information (collectively referred to as the "**Restated Consolidated Financial Information**"). The Restated Consolidated Financial Information, has been approved by the Board of Directors of the Company (the "**Board of Directors**") at their meeting held on April 16, 2025, for the purpose of inclusion in the Red Herring Prospectus (the "**RHP**") and the Prospectus, as prepared by the management of the Company (the "**Management**") and to be filed by the Company with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli at Ahmedabad ("**RoC**"), Securities and Exchange Board of India (the "**SEBI**"), BSE Limited and National Stock Exchange of India Limited (together, the "**Stock Exchanges**") in connection with its proposed initial public offering of its equity shares (the "**Equity Shares**", and such offering, the "**IPO**") comprising a fresh issue of Equity Shares and an offer for sale of Equity Shares by the selling shareholder, and prepared in terms of the requirements of:
- (a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (along with the rules framed thereunder, each as amended, the "**Act**");
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**ICDR Regulations**"); and
 - (c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**").



- (2) We were appointed as the joint statutory auditors of the Company at the 17th Annual General Meeting of its shareholders ("AGM") held on June 27, 2024 until the conclusion of the Company's 20th AGM. The financial statements of the Company for the periods from April 1, 2022 until March 31, 2024 were subjected to audit by the Company's previous joint statutory auditors, KKC & Associates LLP, Chartered Accountants and B.K. Khare & Co, Chartered Accountants (together, the "**Previous Joint Auditors**").

Management's Responsibility for the Restated Consolidated Financial Information

- (3) The Management and the Board of Directors are responsible for the preparation of the Restated Consolidated Financial Information. The Restated Consolidated Financial Information has been prepared by the Management for the purpose of inclusion in the RHP and the Prospectus in accordance with the basis of preparation stated in paragraph 2.1 to the Restated Consolidated Financial Information. The Management and the Board of Directors are also responsible for identifying and ensuring that the Company and the HDB Group comply with the Act, the ICDR Regulations and the Guidance Note. The responsibilities of the respective managements and the board of directors of the Company and the controlled structured entities, constituting a part of the HDB Group, included designing, implementing and maintaining adequate internal controls relevant to the preparation and presentation of the respective restated financial information, which have been used for the purpose of preparation of the Restated Consolidated Financial Information by the Management and the Board of Directors, as aforesaid.

Joint Auditors' Responsibilities

- (4) We have jointly examined the Restated Consolidated Financial Information taking into consideration:
- (a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated September 7, 2024, in connection with the proposed IPO of the Company;
 - (b) The Guidance Note, which also requires that we comply with the ethical requirements of the code of ethics issued by the ICAI;
 - (c) Concepts of test checks and materiality to obtain reasonable assurance based on the verification of evidence supporting the Restated Consolidated Financial Information; and
 - (d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to the compliance of the Restated Consolidated Financial Information with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed IPO.

Restated Consolidated Financial Information

- (5) These Restated Consolidated Financial Information have been compiled by the Management from:
- (a) The audited consolidated financial statements of the HDB Group as at and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 (together, the "**Annual Audited Financial Statements**"), each prepared in accordance with the Indian Accounting Standards (the "**Ind AS**") prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on April 16, 2025, April 16, 2024 and April 15, 2023, respectively.



- (6) For the purpose of our examination, we have relied on:
- (a) the audit report dated April 16, 2025 issued by us, which included our unmodified opinion in respect of consolidated financial statements of the HDB Group as at and for the financial years ended March 31, 2025 referred in paragraph 5 above (the “**FY25 Audit Report**”);
 - (b) the audit reports dated April 16, 2024 and April 15, 2023 issued by the Previous Joint Auditors, pursuant to which they have issued unmodified opinions on the consolidated financial statements of the HDB Group as at and for the financial years ended March 31, 2024 and March 31, 2023 (“**Prior Period Audited Financial Statements**”) referred to in paragraph 5 above.
- (7) The audits in respect of the **Prior Period Audited Financial Statements** were conducted by the Previous Joint Auditors and, accordingly, reliance has been placed on the Restated Consolidated Statement of Assets and Liabilities of the HDB Group as at March 31, 2024 and March 31, 2023 and the Restated Consolidated Statements of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statements of Changes in Equity and the Restated Consolidated Statements of Cash Flows of the HDB Group for the financial years ended March 31, 2024 and March 31, 2023, the Summary of Material Accounting Policies and other explanatory information (collectively, the “**Prior Period Restated Consolidated Financial Information**”) examined by the Previous Joint Auditors. Our examination report in respect of the HDB Group’s financial statements as of and for the financial years ended March 31, 2024 and March 31, 2023 is based solely on the examination report dated April 14, 2025 submitted by the Previous Joint Auditors (the “**Previous Joint Auditors’ Examination Report**”). The Previous Joint Auditors have also confirmed that the Prior Period Restated Consolidated Financial Information:
- (a) has been prepared after incorporating adjustments, if any, for the changes in accounting policies, material errors and regrouping/ reclassifications retrospectively in the Prior Period Audited Financial Statements, to reflect the same accounting treatment as per the accounting policies and grouping/ classifications followed by the HDB Group as at and for the financial year ended March 31, 2025;
 - (b) do not require any adjustment for modification as there is no modification in the underlying audit reports; and
 - (c) have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.
- (8) As indicated in our FY25 Audit Report referred in paragraph 6 above, we did not audit the financial information of one controlled structured entity, the said controlled structured entity ceased to exist after September 20, 2024, whose last financial information reflected total assets of ₹Nil as at September 30, 2024, total revenues of ₹Nil and net cash flows amounting to ₹Nil for the period ended on that date, as considered in the consolidated financial statements of the HDB Group as at and for the financial year ended March 31, 2025. Such financial information is audited by other auditor and our opinion on the consolidated financial statements of the HDB Group at and for the financial year ended March 31, 2025, in so far as it relates to the amounts and disclosures included in respect of such controlled structured entity, is based solely on such reports of other auditors dated October 10, 2024. In our opinion and according to the information and explanations given to us by the Management, such financial information is not material to the HDB Group and our opinion is not modified in respect of these matters. Based on the Previous Joint Auditors’ Examination Report, the audit reports in respect of the Prior Period Audited Financial Statements issued by the Previous Joint Auditors included the following other matters:



As at and for the years ended March 31, 2024 and March 31, 2023

The Previous Joint Auditors did not audit the financial information of:

- (a) 1 controlled structured entity, whose financial information reflected total assets of ₹Nil as at March 31, 2024, total revenues of ₹Nil and net cash flows amounting to ₹Nil for the year ended on that date, as considered in the consolidated financial statements of the HDB Group as at and for the year ended March 31, 2024; and
- (b) 3 controlled structured entities, whose financial information reflected total assets of ₹Nil as at March 31, 2023, total revenues of ₹Nil and net cash flows amounting to ₹Nil for the year ended on that date, as considered in the consolidated financial statements of the HDB Group as at and for the year ended March 31, 2023.

Such financial information was earlier unaudited at the time of issuance of the Previous Joint Auditors' reports dated April 16, 2024 and April 15, 2023 on the consolidated financial statements of the HDB Group as at and for the financial years ended March 31, 2024 and March 31, 2023, respectively, and has now been audited by other auditors as detailed in Annexure 1, which have been furnished to the Previous Joint Auditors by the Management for the purpose of the Previous Joint Auditors' Examination Report on the Prior Period Restated Consolidated Financial Information. In the opinion of the Previous Joint Auditors and, according to the information and explanations given to them by the Management, such financial information is not material to the HDB Group and their opinion is not modified in respect of these matters.

- (9) Based on our examination and according to the information and explanations given to us and also based on the reliance placed on the Previous Joint Auditors' Examination Report, we report that the Restated Consolidated Financial Information:
 - (a) has been prepared after incorporating adjustments, if any, for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively as at and for the financial years ended March 31, 2024 and March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the financial year ended March 31, 2025;
 - (b) do not require any adjustment for modification as there is no modification in the underlying audit reports; and
 - (c) have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.
- (10) The Restated Consolidated Financial Information does not reflect the effects of events that occurred subsequent to the date of the FY25 Audit Report on the consolidated financial statements of the HDB Group as at and for the financial year ended March 31, 2025, mentioned in paragraph 5 above.
- (11) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements issued by the ICAI.

Restrictions on use

- (12) This examination report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us or the Previous Joint Auditors, nor should this examination report be construed as a new opinion on any of the financial statements referred to therein.



G D Apte & Co
Chartered Accountants

Kalyaniwalla & Mistry LLP
Chartered Accountants

- (13) We have no responsibility to update this examination report for the events and circumstances occurring after the date of this examination report.
- (14) Our examination report is intended solely for the use of the Board of Directors for inclusion in the RHP and Prospectus to be filed with the RoC, the SEBI and the Stock Exchanges in connection with the proposed IPO. Our examination report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Yours faithfully,

For G D Apte & Co
Chartered Accountants
Firm Registration No: 100515W

Saurabh Peshwe

Saurabh Peshwe
Partner
Membership Number: 121546
UDIN: 25121546BMLILJ2596
Place: Mumbai
Date: April 16, 2025



For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No: 104607W/W100166

Roshni R. Marfatia



Roshni R. Marfatia
Partner
Membership Number: 106548
UDIN: 25106548BMKSOA3689
Place: Mumbai
Date: April 16, 2025

Annexure 1

Report of the other auditors on the Controlled Structured Entities

| Name of the Controlled Structured Entity | Financial Year/Period | Date of Audit Report |
|--|------------------------------------|----------------------|
| Venus Trust March 2022 | Half year ended September 30, 2024 | 10.October 2024 |
| Venus Trust March 2022 | 2023-2024 | 01 July 2024 |
| Venus Trust March 2022 | 2022-2023 | 22 July 2023 |
| Venus Trust March 2021 | 2022-2023 | 18 July 2023 |
| Venus Trust Sept 2020 | 2022-2023 | 18 July 2023 |

